

WEST RAND DISTRICT MUNICIPALITY



2009/2010

ANNUAL REPORT

ITEM NO	TABLE OF CONTENTS	PAGE NO
	CHAPTER 1: INTRODUCTION	1
1.1.	Executive Mayor's Foreword	2
1.2.	Municipal Overview by the Municipal Manager	4
1.3.	Municipal Profile	6
	CHAPTER 2: PERFORMANCE HIGHLIGHTS	14
2.1.	KPA 1: Local Economic Development	14
	2.1.1 LED: WRDM	14
	2.1.1.1 SMME Development	14
	2.1.1.2. SMME Summit	15
	2.1.1.3. Gauteng Plato Project	16
	2.1.1.4. Tourism Marketing	16
	2.1.1.5. Tourism Development	18
	2.1.2. LED: WRDA	19
	2.1.2.1. WRDA Project Reporting	20
2.2	KPA 2: Infrastructure Development and Service Delivery	22
	2.2.1. Funding and Counter Funding of projects	22
	2.2.2. Housing	25
	2.2.3. Health and Social Development	27
	2.2.4. Public Safety	31
	2.2.5. Transport Planning and Land Use Management	41
	2.2.6. Rationalisation of the by-laws	58
2.3	KPA 3: Municipal Financial Viability and Management	60
	2.3.1 Supply Chain Management	60
	2.3.2 Revenue Management	61
	2.3.3 Expenditure Management	62
	2.3.4 Financial Management	62
2.4	KPA 4: Institutional Transformation and Organisation Management	63
	2.4.1 Human Resource Management and Development	63
	2.4.2 Information Communication and Technology	66
	2.4.3 IDP and PMS	68
2.5	KPA 5: Good Governance and Public Participation	68
	2.5.1 Council and committees of council	68

	2.5.2	Public Participation	73
	2.5.3	Office of Executive Mayors Projects and Programmes	76
	2.5.4	Youth Programmes	79
	2.5.5	Communications	82
CHAPTER 3: HUMAN RESOURCES AND ORGANISATIONAL DEVELOPMENT			85
3.1	Organisational Structure		85
3.2	Trend of Total Personnel Expenditure over the past 5 years		87
3.3	Number of employees per function		87
3.4	Council Composition		88
3.5.	Municipal Entity (WRDA): Organisation Development		90
CHAPTER 4:			
4.1.	Auditor General's Report – Annexure 1		96
4.2	Audit Committee's Report – Annexure 2		96
4.3	Group Audited Financial Statements 2009/10 – Annexure 3		96
CHAPTER 5: ANNUAL PERFORMANCE REPORT 2009/10 – Annexure 4			97

LIST OF ABBREVIATIONS

AAT	:	Association for Accounting Technicians
BIQ	:	Brits IBM Quill Associates
CBD	:	Central Business District
CCTV	:	Closed Circuit Television
CoHWHs	:	Cradle of Humankind World Heritage Site
CPF	:	Community Policing Forum
DMA	:	District Management Area
DWAE	:	Department of Water Affairs and Environment
ECDC	:	Early Childhood Development Centre
EIA	:	Environmental Impact Assessment
EMF	:	Environmental Management Framework
EMP	:	Environmental Management Policy
EMS	:	Emergency Medical Services
EOC	:	Emergency Operations Centre
EPWP	:	Extended Public Works Programme
EQM	:	Environmental Quality Management
FPA	:	Fire Protection Associations
GDACE	:	Gauteng Department of Agriculture, Conservation and Environment
GIS	:	Geographic Information System
ICT	:	Information Communication Technology
IDASA	:	Institute for Democracy in South Africa
ITP	:	Integrated Transport Plan
LED	:	Local Economic Development
LGSETA	:	Local Government Sector Education and Training Authority
LTA	:	Local Tourism Association
MayCom	:	Mayoral Committee
MFMA	:	Municipal Finance Management Act
MMMTTs	:	Municipal Mitigation Monitoring Task Teams
MPRA	:	Municipal Property Rates Act
NSDP	:	National Spatial Development Perspective
NToD	:	National Department of Transport
RoD	:	Record of Decision
RSDF	:	Regional Spatial Development Framework

SAICA	:	South African Institute for Chartered Accountants
SAPS	:	South African Police Services
SARCC	:	South African Rail Commuter Corporation
SCM	:	Supply Chain Management
SDBIP	:	Service Delivery and Budget Implementation Plan
SDF	:	Spatial Development Framework
SMME	:	Small Medium and Macro Enterprises
SOER	:	State of the Environment Report
Stats SA	:	Statistics South Africa
VCT	:	Voluntary Counselling and Testing
VOIP	:	Voice Over Internet Protocol
WHO	:	World Health Organisation
WRDA	:	West Rand Development Agency
WRDM	:	West Rand District Municipality

AUDITOR'S REPORT OF THE AUDITOR-GENERAL TO THE GAUTENG PROVINCIAL LEGISLATURE AND THE COUNCIL OF WEST RAND DISTRICT MUNICIPALITY

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying consolidated financial statements and financial statements of the West Rand District Municipality (WRDM), which comprise the consolidated and separate statement of financial position at 30 June 2010, the consolidated and separate statement of financial performance, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and the accounting officer's report as set out on pages ... to

Accounting officer's responsibility for the consolidated financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these consolidated and separate financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and in the manner required by the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor-General's responsibility

3. As required by section 188 of the Constitution of South Africa, 1996 (Act No. 108 of 1996), section 4 of the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with International Standards on Auditing and *General Notice 1570 of 2009* issued in *Government Gazette 32758 of 27 November 2009*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's

judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

7. In my opinion, these financial statements present fairly, in all material respects, the consolidated and separate financial position of the West Rand District Municipality as at 30 June 2010 and its consolidated and separate financial performance and its cash flows for the year then ended are prepared, in all material respects, in accordance with the SA Standards of GRAP and in the manner required by the MFMA.

Emphasis of matter

8. I draw attention to the matter below. My opinion is not further modified in respect of matters:

Irregular expenditure

9. As disclosed in note 28 to the financial statements, irregular expenditure to the amount of R3 106 515 was incurred, as proper tender processes were not followed.

Additional matter

10. I draw attention to the matter below. My opinion is not modified in respect of this matter:

Unaudited supplementary schedules

11. The supplementary information set out on pages XX to XX does not form part of the financial statements and is presented as additional information. I have not audited these schedules and accordingly I do not express an opinion thereon.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

12. As required by the PAA and in terms of *General Notice 1570 of 2009* issued in *Government Gazette 32758 of 27 November 2009*, I include below my findings on the report on predetermined objectives, compliance with the following key laws and regulations of the MFMA, Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA) and financial management (internal control).

Predetermined objectives

13. Material findings on the report on predetermined objectives, as set out on pages ... to ..., are reported below:

Non-compliance with regulatory and reporting requirements

14. The West Rand Development Agency did not prepare and include an assessment by the entity's accounting officer of the entity's performance against any measurable objectives set in terms of the agreement between the entity and its parent municipality, as required by section 121(4)(d) of the MFMA.

Compliance with laws and regulations

Municipal Finance Management Act, 2003

Supply Chain Management legislative requirements were not implemented

15. Contrary to the requirements of MFMA section 112(1), the West Rand District Municipality supply chain management policy was in conflict with the MFMA and the supply chain management regulation.

INTERNAL CONTROL

16. I considered internal control relevant to my audit of the financial statements and the report on predetermined objectives as well as compliance with the MFMA, but not for the purpose of expressing an opinion on the effectiveness of internal control.
17. The matters reported below are limited to the significant deficiencies regarding the findings on the report on predetermined objectives and the findings on compliance with laws and regulations.

Leadership

Oversight responsibility

The accounting officer does not exercise oversight responsibility over compliance with laws and regulations as the West Rand District Municipality supply chain management policy was contrary to the MFMA and supply chain management regulation.

Financial and performance management

Quality, reliable monthly financial statements and management information

The financial statements of West Rand Development Agency were subject to amendments resulting from the audit.

Adequate financial management systems

Systems of West Rand Development Agency are not appropriate to facilitate the preparation of the performance reports.

Governance

No matters to report.

Auditor-General

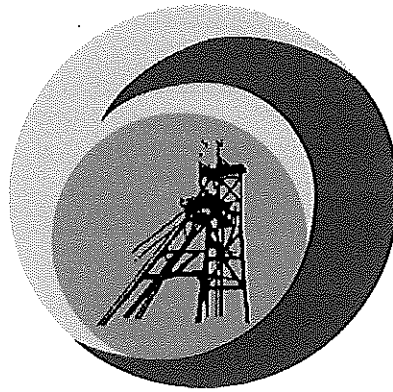
Johannesburg

30 November 2010



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence



**WEST RAND DISTRICT
MUNICIPALITY**

**ANNUAL REPORT OF THE AUDIT
COMMITTEE**

2009/10

The Audit Committee hereby presents its Annual report for the financial year ended 30 June 2010.

Background overview

The Audit Committee of the West Rand District Municipality (WRDM) was reconstituted on 1 July 2008 for the period of three years ending 30 June 2011. The Committee consisted of four independent members with various skills require. At the end of the financial year 2009/10, the Committee consisted of only two members due to resignation of other members. The Committee is in a process of requesting additional members to meet the requirements of the legislations.

The Committee adopted an Audit Committee Charter which sets out the fundamental roles and responsibilities of the Committee. The Charter was informed by the requirements of Sec 166 of Municipal Finance and Management Act (MFMA). The Committee has regulated it affairs in compliance with this Charter.

It must be noted that the Audit Committee only presents its Annual Report to Council once the Auditor General has issued its final Audit Report for the year under review.

Attendance to Meetings

The Committee met six times for the period under review:

Name	Attended	Apologies	Total
Adv WE Huma (Chair)	6	0	6
Mr TP Dibishi CA (SA)	4	2	6
Ms LN Mola	4	2	6

Mr TP Dibishi resigned in April 2010

Audit Committee Responsibility

The Committee guided by its Audit Committee Charter duly adopted by all members, reports that it has substantially fulfilled its responsibilities arising from Section 166 of MFMA. Below are fundamental roles and responsibilities of the Audit Committee:

1. Responsibilities relating to Internal Audit.
2. Responsibilities relating to External Audit.
3. Responsibilities relating to Annual Financial Statements.
4. Responsibilities relating to Financial and Legal Compliance.
5. Responsibilities relating to Risk Management.
6. Responsibilities relating to Performance Management.

Responsibilities relating to Internal Audit

The Committee reports that WRDM has an in house Internal Audit Department consisting of eight staff members of which six are permanent and two are interns. The Internal Audit Department was mandated by its Internal Audit Charter which was approved by the Audit Committee. The Internal Audit Department operated in accordance with approved three year Internal Audit Strategic plan and

Internal Audit Annual plan. An Internal Audit Methodology was developed and approved by the Audit Committee. The Methodology is the audit procedure manual which must be applied by internal auditors in the execution of its activities. The methodology is in line with the International Standards for the Professional Practice of Internal Auditors (ISPPA) prescribed by the Institute of Internal Auditors (IIA). National Treasury has also developed an Internal Audit Framework that was adopted by the Audit Committee and implemented by the Internal Audit Department.

The Committee reports that the Internal Audit Department fully executed its Annual Audit plan for 2009/10. Internal Audit reports were submitted to the Committee for review. The Committee noted that management comments were provided in the reports. It must be noted that management is not only required to provide management comments but management must ensure that corrective measures are put in place to correct weaknesses in the internal control systems identified during audit engagements. The Committee does not expect these weaknesses to crop up in the follow up audits.

All audit reports for 2009/10 have been posted on the Intranet site of the Municipality and all interested stakeholders can view these internal audit reports.

The Committee also reports that internal auditors have attended a variety of training in order to capacitate their skills. These courses relate to Risk Management, Corporate governance, Performance Management, Financial auditing, Strategic audit planning, Quality assurance, Performance auditing, Capital project etc. Two internal auditors have been enrolled in the Internal Audit Technician, two year learner ship programme offered by the Institute of Internal Auditors. The programme is funded by the Department of Local Government and Housing.

Responsibilities relating to External Audit

The WRDM as a government institution is audited by the Office of the Auditor General South Africa. The Audit Committee has engaged with the Office of the Auditor General throughout the financial year. A representative from the Office of the Auditor General has standing invite to all Audit Committee meetings.

The Audit Committee envisages a harmonised relationship between Internal Auditors and External Auditors which will ensure that their work complement each other and there will be no duplications of efforts. The Committee encourages continued interaction between the auditors.

The Audit Committee acknowledges the training offered by the Office of the Auditor General on Audit of Predetermined Objectives which assisted the Municipality in preparation for the Audit of Performance Information. The Committee appreciates the inputs it received from the Office of the Auditor General through its quarterly meetings.

Responsibilities relating to Annual Financial Statements

The Committee reports that the Annual Financial Statements for the period under review were presented to Committee by the Chief Financial Officer before they were submitted to the Office of the Auditor General. The Committee is mandated by MFMA to review the Annual Financial Statements

and provide technical input to the financial statements before they are submitted to the Office of the Auditor General.

After careful consideration of the financial statements, the Committee also stated its concerns over the financial statements of the West Rand Development Agency which were to be incorporated into those of the District. The Committee raised is sceptical of the impact the Agency will have on the financial affairs of the District if the Agency is not properly monitored. The Committee took note of the existence of the Audit Committee for the Agency but would advise the District to provide the mandate for the District Audit Committee to interact with the Agency's Audit Committee. The Committee recommended that the Financial statements be submitted to the Office of the Auditor General for audit purposes.

The Office of the Auditor General, after completion of the audit of the financial statements for the Municipality and its entity, presented the audit report to the Audit Committee. The Committee concurs and accepts the Auditor General's conclusions on the annual financial statements. The Committee congratulates the Municipality for once again obtaining an unqualified audit opinion. The Committee however, emphasises the need for the District to intervene in the running of the Agency. The Committee advises that Finance, Internal Audit and IDP/PMS units assist the Agency in putting in place the necessary financial and information control measures to improve the internal control systems. It must be emphasised that the qualification of the Agency in its financial affairs could have adverse impact on the financial affairs of the District and all the good efforts of the District will be in vain.

The Committee is of the opinion that the audited Group Financial Statements 2009/10, be accepted and read together with the audit report of the Auditor General.

Responsibilities relating to financial and legal compliance

The Committee reports that the Municipality has presented to it all the legal cases and disciplinary hearings for the period under review. The Committee has provided technical inputs and recommended that where necessary financial contingency plans be implemented to mitigate any results of these cases. The Committee noted that such contingency plans were provided for in the financial statements. It was also noted that all MFMA compliance requirements were submitted to the Provincial and National Treasuries.

Responsibilities relating to Risk Management processes

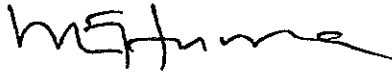
The Committee appreciates the exercise undertaken by the Municipality to revise its risk profile by conducting risk assessment workshops. Reports pertaining to the Risk register and the Risk management strategy were presented to the Committee. It was noted that these reports were not yet tabled to Council due to non existence of the Risk Management unit to implement the strategy. The Committee takes note of the intention of the Municipality to establish this unit which will also deal with Anti corruption and Fraud prevention processes. It is also in the interest of the Internal Audit to conduct its affairs in a risk based approach.

Responsibilities relating to Performance Management

The Committee acknowledges that the Municipality has a performance management system in place and the processes are in place to report on the performance information. The Committee also noted the Auditor General intensive focus on the performance information and the reality of an opinion being expressed on the performance information. The Committee emphasise the importance of keeping records of the performance information as it was observed that some departments produced insufficient records to validate their performance information. Also it is important that the departments adhere to deadlines for submission of performance information for compilation and audit purposes.

Conclusion

The Committee wishes to express its appreciation to the West Rand District Municipality, the Office of the Auditor General and all other stakeholders involved.



**ADV WE HUMA
CHAIRPERSON**

West Rand District Municipality
Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

	2010 R GROUP	2010 R WRDM	2009 R WRDM
1 OTHER RESERVES			
Transport fund	803,967	803,967	757,807
Unappropriated surplus	757,807	757,807	1,355,207
Transfers from operating income	53,360	53,360	107,781
Transfers for expenditure incurred	(7,200)	(7,200)	(705,181)
Bank and cash	803,967	803,967	757,807
Total transport fund: assets and liabilities	-	-	-
Capital Reserve Fund	21,751,894	21,751,894	21,868,015
Unappropriated surplus	21,868,015	21,868,015	14,131,695
Transfers from operating income	7,747,400	7,747,400	14,242,450
Transfers for expenditure incurred	(7,863,521)	(7,863,521)	(8,608,130)
Bank and cash	21,751,894	21,751,894	21,868,015
Total transport and capital reserve fund	22,555,861	22,555,861	22,625,822
2 BORROWINGS			
2.1 Annuity loans			
Unsecured borrowings: DBSA	13,455,274	13,455,274	15,725,331
Less : Current portion annuity	(2,441,859)	(2,441,859)	(2,214,839)
Total long term borrowings	11,013,415	11,013,415	13,510,492
DBSA loans bears interest of 10% per annum and is repayable over a period of 20 years. The loans were utilised to finance capital projects in the local municipalities. The remaining period of these loans are 4 years.			
2.2 Lease liability			
Capital lease liability	5,362,593	5,341,130	5,607,389
Less : Current portion leases	(3,139,094)	(3,117,631)	(3,828,763)
Total lease liability	2,223,499	2,223,499	1,780,636
Cell phone contracts lease term are 24 months, vehicles and photocopier/faxes lease terms are 36 months. Refer to Appendix A for more detail on borrowings.			
3 PROVISIONS			
The movement in the non-current provision is reconciled as follows: -			
3.1. Project provision			
Balance at beginning of year	17,944,013	17,944,013	11,385,187
Contributions to provision	-	-	17,605,448
Transferred to expenditure	(16,806,296)	(16,808,296)	(11,048,620)
Balance at end of year	2,137,717	2,137,717	17,944,013
Provision is to finance identified projects in the local municipalities and the WRDM. It is not certain when the monies will be spent by the local municipalities hence the amounts to be transferred and the timing are not certain.			
3.2 Staff performance bonuses			
Balance at beginning of year	752,299	752,299	452,810
Contributions to provision	573,270	573,270	299,489
Transferred to expenditure	(53,524)	(53,524)	-
Balance at end of year	1,272,045	1,272,045	752,299
Total provisions	3,409,762	3,409,762	18,696,312
Provision for section 57 employees. The payment of the bonuses are based on performance and therefore the performance, amounts and payment date are uncertain.			
4 CREDITORS			
Trade creditors	5,991,237	5,116,993	2,208,986
Salary third party payments	52,536	62,536	52,347
Retentions	182,400	-	-
Payments received in advance	232,231	232,231	228,262
Staff leave accrual	6,573,382	6,382,113	4,898,824
Total creditors	13,031,786	11,783,883	7,388,419
5 UNSPENT CONDITIONAL GRANTS AND RECEIPTS			
Conditional Grants from other spheres of government	26,048,342	21,665,834	22,997,543
Department of Economical Development	4,380,508	-	-
MSIG	465,359	465,359	-
LED grants-water and sanitation	12,148,000	12,148,000	18,673,000
HIV/Aids grant	305,443	305,443	2,164,544
Bekkersdal urban renewal	375,032	375,032	375,032
MIG	8,372,000	8,372,000	1,855,000
Transition grant	-	-	29,887
Total conditional grants and receipts	26,048,342	21,665,834	22,997,543
6 VALUE ADDED TAXATION			
Value added taxation receivable	2,312,096	2,128,312	3,820,361
Value added taxation is payable on the receipts basis. Once payment is received from debtors value added taxation is paid over to SARS. The West Rand Development Agency is registered for value added taxation since 17 March 2010.			

7 PROPERTY, PLANT AND EQUIPMENT

7.1 Property, plant and equipment

Group	Land and buildings R	Infra-structure R	Community R	Heritage R	Other R	Total R
Reconciliation of carrying value						
Carrying value at 1 July 2009	46,923,256	2,533,022	9,992,080	-	11,148,288	70,596,646
Cost	94,502,074	2,727,408	9,992,080	-	26,671,370	133,892,932
Accumulated depreciation	(47,578,818)	(194,386)	-	-	(15,523,082)	(63,296,286)
Correction of error (cost) - note 19.1.5	(8,292,663)	15,122,032	(9,911,080)	4,298	7,766,889	4,689,476
Correction of error (depreciation) - note 19.1.6	11,756,422	(9,152,558)	-	(4,279)	(3,095,601)	(496,016)
Restated balance 1 July 2009	50,387,015	8,502,496	81,000	19	15,819,576	74,790,106
Acquisitions	140,426	5,846,547	-	9,557	8,413,877	14,410,407
Corrections and transfers - cost	-	-	-	-	(84,601)	(84,601)
Depreciation	(2,087,567)	(762,839)	-	(365)	(9,010,789)	(11,841,560)
Corrections and transfers - depreciation	27,504	-	-	-	53,893	81,397
Carrying value of disposals	-	-	-	-	-	-
Cost	-	-	-	-	(1,175,370)	(1,175,370)
Accumulated depreciation	-	-	-	-	1,175,370	1,175,370
Carrying value at 30 June 2010	48,487,378	13,586,204	81,000	9,211	15,191,956	77,355,749
Cost	86,349,837	23,695,987	81,000	13,855	41,592,165	151,732,844
Accumulated depreciation	(37,862,459)	(10,109,783)	-	(4,644)	(26,400,209)	(74,377,095)

Details of valuation

West Rand District municipality engaged the services of an independent consortium of specialist companies, I@consulting, Bigen Africa, Imqs and GLS during the financial year as an initial step to establish an asset register for all councils immovable PPE. The companies are not connected to the municipality.

Assets that provide a service, or form part of a network that provides a service, for which the municipality is functional responsible were valued on the basis of depreciated replacement cost (DRC). Replacement costs will be based on replacing the asset under consideration with a modern equivalent asset which has the same functional capacity. Based on a condition assessment an accumulated depreciation charge was determined to establish the asset carrying value for inclusion in the asset register. The DRC method was decided on because the initial values and age of assets were not available and the aggregated values could not easily be compared with market values. The DRC method are based on condition assessment which also lend itself to impairment testing at the detailed asset level.

The depreciated replacement cost (DRC) model has been adopted using the straight line deterioration method to reflect the consumption of economic benefit. The approach necessitates information on the expected useful life (EUL), residual value (RV), current replacement cost (CRC), and remaining useful life (RUL) of each of the asset components. The CRC is the product of a unit rate and the extent of the component and represents the cost of replacing the asset, and in cases where the existing asset is obsolete, the replacement with a modern equivalent. The depreciable portion of an asset is determined by subtracting the residual value from the CRC. The depreciated replacement cost (DRC) is established by proportionately reducing the depreciable portion based on the fraction of the remaining useful life over the expected useful life.

The valuation date was 30 June 2009.

7.2 Investment property

Fair value

2,560,000 2,560,000

Total investment properties

2,560,000 2,560,000

Revenue of R538 957 earned from the investment property (BP garage) is included in the statement of financial performance. Revaluation for investment property will be performed every 3 years due to costs involved.

7.3 Assets with zero values

Assets with zero values were corrected in 2010, and assets with a value less than R2000.00 are depreciated in the same year to a R1 value.

Fifty percent of similar asset values in the asset register were used as a basis to correct zero values. Where no comparisons could be found values were obtained from suppliers.

7 PROPERTY, PLANT AND EQUIPMENT

7.1 Property, plant and equipment

WRDM	Land and Buildings R	Infra-structure R	Community R	Heritage R	Other R	Total R
Reconciliation of carrying value						
Carrying value at 1 July 2009	46,923,307	2,533,022	9,992,080	-	11,148,237	70,596,646
Cost	94,502,074	2,727,408	9,992,080	-	26,671,370	133,892,932
Accumulated depreciation	(47,578,767)	(194,386)	-	-	(15,523,133)	(63,296,286)
Correction of error (cost) - note 19.1.5	(8,292,663)	15,122,032	(9,911,080)	4,298	7,766,889	4,689,476
Correction of error (depreciation) - note 19.1.6	11,756,371	(9,152,558)	-	(4,279)	(3,095,550)	(496,016)
Restated balance 1 July 2009	50,387,015	8,502,496	81,000	19	18,819,576	74,790,106
Acquisitions	140,426	5,846,547	-	9,557	6,330,755	12,327,285
Corrections and transfers - cost	(15,763,838)	(5,979,773)	-	-	(1,684,939)	(23,428,550)
Depreciation	(1,901,092)	(609,379)	-	(365)	(8,851,140)	(11,361,976)
Corrections and transfers - depreciation	3,781,127	3,553,451	-	-	1,483,042	8,817,620
Carrying value of disposals	-	-	-	-	-	-
Cost	-	-	-	-	(1,175,370)	(1,175,370)
Accumulated depreciation	-	-	-	-	1,175,370	1,175,370
Carrying values at 30 June 2010	36,643,638	11,313,342	81,000	9,211	13,097,294	61,144,485
Cost	70,585,999	17,716,214	81,000	13,855	37,908,705	126,305,773
Accumulated depreciation	(33,942,361)	(6,402,872)	-	(4,644)	(24,811,411)	(65,161,288)

WRDM	Land and Buildings R	Infra-structure R	Community R	Heritage R	Other R	Total R
Reconciliation of carrying Value						
Carrying value at 1 July 2008	23,524,958	2,752,807	1,475,298	-	10,048,180	37,801,243
Cost	28,131,296	3,182,421	1,475,298	-	19,909,679	52,698,694
Investment assets	608,201	-	-	-	-	608,201
Accumulated depreciation	(5,214,539)	(429,614)	-	-	(9,861,699)	(15,505,852)
Revaluations	24,613,884	(214,368)	8,516,782	-	(28,809)	32,887,499
Cost	63,759,398	(533,093)	8,516,782	-	(63,164)	71,679,923
Accumulated depreciation	(39,145,514)	318,735	-	-	34,355	(38,792,424)
Correction of error (Cost)	-	-	-	-	3,244,376	3,244,376
Restated Balance 1 July 2008	48,138,642	2,538,449	9,992,080	-	10,019,371	70,688,742
Acquisitions	3,418,031	842,562	-	-	8,256,893	12,517,486
Depreciation	(3,218,765)	(83,507)	-	-	(6,857,129)	(10,159,401)
Carrying value of disposals	199,268	759,055	-	-	(270,801)	687,520
Cost	3,418,031	842,562	-	-	(1,432,238)	2,828,355
Accumulated depreciation	(3,218,765)	(83,507)	-	-	1,161,437	(2,140,835)
Revaluation	(221,242)	(764,482)	-	-	-	(985,724)
Other movements depreciation	-	-	-	-	(46)	(46)
Carrying value at 30 June 2009	46,923,307	2,533,022	9,992,080	-	11,148,237	70,596,646
Cost	94,502,074	2,727,408	9,992,080	-	26,671,370	133,892,932
Accumulated depreciation	(47,578,767)	(194,386)	-	-	(15,523,133)	(63,296,286)

Details of valuation

West Rand District municipality engaged the services of an independent consortium of specialist companies, I@consulting, Bigen Africa, Imqs and GLS during the financial year as an initial step to establish an asset register for all council's immovable PPE. The companies are not connected to the municipality.

Assets that provide a service, or form part of a network that provides a service, for which the municipality is functional responsible were valued on the basis of depreciated replacement cost (DRC). Replacement costs will be based on replacing the asset under consideration with a modern equivalent asset which has the same functional capacity. Based on a condition assessment an accumulated depreciation charge was determined to establish the asset carrying value for inclusion in the asset register. The DRC method was decided on because the initial values and age of assets were not available and the aggregated values could not easily be compared with market values. The DRC method are based on condition assessment which also lend itself to impairment testing at the detailed asset level.

The depreciated replacement cost (DRC) model has been adopted using the straight line deterioration method to reflect the consumption of economic benefit. The approach necessitates information on the expected useful life (EUL), residual value (RV), current replacement cost (CRC), and remaining useful life (RUL) of each of the asset components. The CRC is the product of a unit rate and the extent of the component and represents the cost of replacing the asset, and in cases where the existing asset is obsolete, the replacement with a modern equivalent. The depreciable portion of an asset is determined by subtracting the residual value from the CRC. The depreciated replacement cost (DRC) is established by proportionately reducing the depreciable portion based on the fraction of the remaining useful life over the expected useful life.

The valuation date was 30 June 2009.

7.2 Investment property

Fair value	2,560,000	2,560,000
Total Investment properties	2,560,000	2,560,000

Revenue of R538 957 earned from the investment property (BP garage) is included in the statement of financial performance. Revaluation for investment property will be performed every 3 years due to costs involved.

7.3 Assets with zero values

Assets with zero values were corrected in 2010, and assets with a value less than R2000.00 are depreciated in the same year to a R1 value.

Fifty percent of similar asset values in the asset register were used as a basis to correct zero values. Where no comparisons could be found values were obtained from suppliers.

West Rand District Municipality
Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

	2010 R GROUP	2010 R WRDM	2009 R WRDM
8 LONG-TERM RECEIVABLES			
Internal learner ship	239,843	239,843	147,586
Less : Current portion transferred to current receivables	(9,707)	(9,707)	(55,916)
Total	230,136	230,136	91,670
Internal learner ship (study assistance employees WRDM). All monies are recovered when an applicant fails.			
9 INVENTORY			
Consumable stores – at cost	409,794	409,794	449,769
Stock: raw materials	12,928	-	-
Total Inventory	422,722	409,794	449,769
10 DEBTORS			
		WRDM	
	Gross balance	Impairment of debtors	Net balance
As at 30 June 2009	R	R	R
Other debtors	14,907,226	1,350,142	13,557,084
Ambulance	4,614,888	4,160,499	384,487
Other			
Total other debtors	19,422,212	5,500,641	13,921,571
As at 30 June 2010	R	R	R
10.1 Debtors: property rates	659,005	173,471	485,534
Property rates			
10.2 Other debtors	15,407,338	879,837	14,527,501
Ambulance	78,616	-	78,616
Deposits paid	5,606	-	5,606
Salary advance-bonus payments	1,426,212	899,178	527,034
Other			
Total other debtors	16,917,772	1,779,015	15,138,767
As at 30 June 2010	R	R	R
10.1 Debtors: property rates	659,005	173,471	485,534
Property rates			
10.2 Debtors: other	15,407,338	879,837	14,527,501
Ambulance	78,616	-	78,616
Deposits paid	5,606	-	5,606
Salary advance-bonus payments	1,444,095	899,178	544,917
Other			
Total other debtors	16,935,655	1,952,488	15,166,640
	GROUP	WRDM	
Property rates	249,455	249,455	-
Current (0 – 30 days)	114,182	114,182	-
31 - 60 Days	40,988	40,988	-
61 - 90 Days	116,500	116,500	-
91 - 120 Days	137,882	137,882	-
+ 121 Days			
Total	659,005	659,005	-
Property rates levied as from 1 July 2009 in the DMA area.			
Ambulance	147,838	147,838	423,160
Current (0 – 30 days)	7,887,912	7,887,912	13,606,716
31 - 60 Days	7,116,362	7,116,362	190,593
61 - 90 Days	116,842	116,842	132,905
91 - 120 Days	138,384	138,384	653,847
+ 121 Days			
Total	15,407,338	15,407,338	14,907,226
Other	347,321	347,321	671,364
Current (0 – 30 days)	643,620	643,620	148,233
31 - 60 Days	233,382	233,382	192,533
61 - 90 Days	54,851	38,668	163,116
91 - 120 Days	284,821	284,821	3,439,741
+ 121 Days			
Total	1,444,095	1,425,212	4,614,986
The ambulance subsidy for the third and fourth quarter was not received, the amount of R14 627 500 is included in ambulance debtors.			

West Rand District Municipality
Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

	2010 R GROUP	2010 R WRDM	2009 R WRDM
10.3 Reconciliation of the bad debts provision			
Balance beginning of the year	5,500,641	5,500,641	12,166,814
Contributions to provision	-	-	848,464
Bad debts written off against provision	-	-	(6,394,148)
Reversal of provision	(3,548,155)	(3,548,155)	(1,118,289)
Balance end of year	<u>1,952,486</u>	<u>1,952,486</u>	<u>5,500,641</u>

Amounts owed for ambulance debtors are in terms of the service level agreement with the Department of Health and provided for as bad debt. Amounts written-off refers to ambulance fees not collected and written-off.

	GROUP	WRDM	
10.4 Property rates			
Residential	5,633,050	5,633,050	-
Agricultural	2,529,910	2,529,910	-
Commercial	1,045,108	1,045,108	-
Total	<u>9,208,068</u>	<u>9,208,068</u>	<u>-</u>

Property rates levied as from the 1 July 2009 in the DMA area (farm properties). Property rates are levied in advance R685 125 (June 2010) for July 2010.

	GROUP July 2009 R000's	WRDM July 2009 R000's	
Valuations			
Property valuations			
Residential	646,580	646,580	-
Agricultural	529,595	529,595	-
Commercial	141,990	141,990	-
Exempted	5,600	5,600	-
	<u>1,323,665</u>	<u>1,323,665</u>	<u>-</u>

11 CALL INVESTMENT DEPOSITS			
Other Deposits	<u>77,474,874</u>	<u>72,619,713</u>	<u>99,131,645</u>

12 CASH AND CASH EQUIVALENTS

The District Municipality has the following bank account: -
Standard Bank - Corporate account number 021307350

Primary account			
Cash book balance at beginning of year	15,463,156	15,463,156	22,735,969
Cash book balance at end of year	<u>50,600,491</u>	<u>50,600,491</u>	<u>15,463,156</u>
Bank statement balance at beginning of year	15,522,407	15,522,407	22,905,315
Bank statement balance at end of year	<u>50,669,167</u>	<u>50,669,167</u>	<u>15,522,407</u>

The entity has the following bank account: -
Standard Bank - Corporate account services branch: account number 021480856

Primary account			
Cash book balance at beginning of year	-	-	-
Cash book balance at end of year	<u>583,970</u>	<u>-</u>	<u>-</u>
Bank statement balance at 1 August 2009	4,316	-	-
Bank statement balance at end of year	<u>674,917</u>	<u>-</u>	<u>-</u>

Cash and cash equivalents			
Petty cash	20,150	20,160	20,160
Bank balance	<u>51,184,461</u>	<u>50,600,491</u>	<u>15,463,156</u>
Total bank and cash	<u>51,204,611</u>	<u>50,620,641</u>	<u>15,483,306</u>

13 GOVERNMENT GRANTS AND SUBSIDIES

Department of Economical Development	2,044,492	-	-
Equitable share	12,473,174	12,473,174	10,357,000
Finance management	750,000	750,000	685,628
HIV/Aids grant	1,859,100	1,859,100	3,536,953
MSIG	834,641	834,641	980,885
Other	28,763	28,763	-
Provincial ambulance subsidies (agency services)	28,417,500	28,417,500	26,777,250
Provincial LED projects	3,204	3,204	-
RSC replacement grant	128,898,589	128,898,589	113,098,423
West Rand Development Agency subsidy	3,417,177	-	-
Total Government Grants and Subsidies	<u>176,724,640</u>	<u>171,262,971</u>	<u>155,435,139</u>

13.1 Equitable Share

In terms of the Constitution, this grant is used to subsidise the provision of services to indigent community members.

West Rand District Municipality
Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

	2010 R GROUP	2010 R WRDM	2009 R WRDM
13.2 Department of Economical Development			
Balance unspent at beginning of year	-	-	-
Current year receipts	4,380,508	-	-
Conditions still to be met - transferred to liabilities (see note 5)	<u>4,380,508</u>	<u>-</u>	<u>-</u>
This grant is for a plastic recycling project whose aims are to contribute to a cleaner environment and job creation. The monies will be utilized for purchasing of plant and equipment, provision of allowances for identified cooperative members, skills development for cooperative members and establishment of buyback centres.			
13.3 Provincial LED projects			
Balance unspent at beginning of year	3,204	3,204	3,204
Conditions met - transferred to revenue	(3,204)	(3,204)	-
Conditions still to be met - transferred to liabilities (see note 5)	<u>-</u>	<u>-</u>	<u>3,204</u>
This grant was used to construct roads and sewerage Infrastructure as part of the upgrading of informal settlement areas (included in the roads and sewerage votes in Appendix B). No funds have been withheld.			
13.4 HIV/Aids grant			
Balance unspent at beginning of year	2,164,544	2,164,544	1,001,497
Current year receipts	-	-	4,700,000
Conditions met - transferred to revenue	(1,859,101)	(1,859,101)	(3,636,953)
Conditions still to be met - transferred to liabilities (see note 5)	<u>305,443</u>	<u>305,443</u>	<u>2,164,544</u>
This grant was used to finance the HIV/Aids campaigns at the WRDM and local municipalities.			
13.5 Bekkersdal urban renewal			
Balance unspent at beginning of year	375,032	375,032	375,032
conditions still to be met - transferred to liabilities (see note 5)	<u>375,032</u>	<u>375,032</u>	<u>375,032</u>
This grant was used to finance the urban renewal programme on behalf of the Provincial Government, the outstanding amount is the retention on this project.			
13.6 Other Conditional Grants			
Balance unspent at beginning of year	28,763	28,763	71,390
Current year receipts	-	-	641,000
Conditions met - transferred to revenue	(28,763)	(28,763)	(685,627)
Conditions still to be met - transferred to liabilities (see note 5)	<u>-</u>	<u>-</u>	<u>28,763</u>
These grants include balances of the FMG and Local Government transition grants and are used to finance expenditure according to the approved business plan.			
13.7 MSIG			
Balance unspent at beginning of year	-	-	245,885
Current year receipts	1,300,000	1,300,000	735,000
Conditions met - transferred to revenue	(834,641)	(834,641)	(980,885)
Conditions still to be met - transferred to liabilities (see note 5)	<u>465,359</u>	<u>465,359</u>	<u>-</u>
This grant was utilised to finance expenditure of the implementation of the Property Rates Act and funding for the development of the IDP and performance management system.			
13.8 MIG			
Balance unspent at beginning of year	1,855,000	1,855,000	282,000
Current year receipts	6,517,000	6,517,000	1,673,000
Conditions still to be met - transferred to liabilities (see note 5)	<u>8,372,000</u>	<u>8,372,000</u>	<u>1,855,000</u>
The Infrastructure grant is utilised to finance approved projects at the Local Municipalities. An amount of R3 213 236 was withheld as a result of MIG funding not spent.			
13.9 LED			
Balance unspent at beginning of year	18,573,000	18,573,000	18,573,000
Conditions met - transferred to revenue	(6,425,000)	(6,425,000)	-
Conditions still to be met - transferred to liabilities (see note 5)	<u>12,148,000</u>	<u>12,148,000</u>	<u>18,573,000</u>
The Infrastructure grant is utilised to finance water and sanitation projects at the DMA.			
Total unspent conditional grants (note 5)	<u><u>28,046,342</u></u>	<u><u>21,665,834</u></u>	<u><u>22,997,543</u></u>
14 EMPLOYEE RELATED COSTS			
Employee related costs - salaries and wages	53,593,728	51,579,164	46,029,001
Employee related costs - contributions to uif, pensions and medical aids	14,859,218	14,859,218	12,306,614
Travel, motor car, accommodation, subsistence and other allowances	15,653,309	15,653,309	13,692,808
Housing benefits and allowances	924,971	924,971	1,008,687
Overtime payments	8,994,052	8,994,052	7,070,808
Performance bonus contribution	573,270	573,270	358,280
Total employee related costs	<u><u>94,598,546</u></u>	<u><u>92,583,984</u></u>	<u><u>80,464,098</u></u>
There were no advances to employees.			

West Rand District Municipality
Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

	2010 R GROUP	2010 R WRDM	2009 R WRDM
Remuneration of the Municipal manager			
Annual remuneration	1,056,199	1,056,199	934,689
Performance bonuses	-	-	-
Total	1,056,199	1,056,199	934,689
Remuneration of the Chief financial officer			
Annual remuneration	917,844	917,844	812,250
Performance bonuses	53,524	53,524	-
Total	971,368	971,368	812,250
Remuneration of the Chief operational officer			
Annual remuneration	917,844	917,844	812,250
Performance bonuses	-	-	-
Total	917,844	917,844	812,250
Remuneration of the Chief executive officer - WRDA			
Annual remuneration	703,950	-	-
Performance bonuses	-	-	-
Total	703,950	-	-
Remuneration of individual executive directors			
16 REMUNERATION OF COUNCILLORS			
Executive mayor	577,199	577,199	568,675
Speaker	478,120	478,120	446,844
Mayoral committee members	2,857,979	2,657,979	2,246,900
Councillors	2,615,308	2,615,308	2,031,521
Total councillors remuneration	6,528,603	6,528,603	5,293,940
In-kind benefits			
The executive mayor, chief whip, speaker and mayoral committee members are full-time. Each is provided with an office and secretarial support at the cost of the council.			
The executive mayor is entitled to stay at the mayoral residence owned by council at no cost. The executive mayor has use of a council owned vehicle for official duties.			
The executive mayor has two full-time bodyguards.			
16 GENERAL EXPENDITURE			
CCTV surveillance	5,126,316	5,126,316	-
Deepening democracy	-	-	1,766,732
Entertainment	1,069,745	1,078,015	786,397
External audit fees	1,235,160	1,235,160	1,126,728
Insurance premium/excess payments	1,094,101	1,094,101	1,818,121
Landscaping	1,098,522	1,098,522	25,704
Lease equipment - operational cost	2,141,004	2,141,004	1,651,786
Levies: electricity/water/sewerage/refuse	2,109,126	1,984,236	2,361,241
Other cost	8,054,665	7,917,551	8,827,215
Professional fees	14,130,133	13,599,107	13,708,628
Projects Infrastructure	-	-	2,685,856
Security services	1,382,444	628,359	1,306,697
Soccer 2010 world cup	2,711,019	2,711,019	-
Special programmes	6,531,369	6,531,369	5,345,213
Stock and material	1,292,619	1,175,276	1,116,448
Telephone cost/ internet line/data cards	2,177,659	2,075,680	1,876,100
Training employees/Levy	1,699,416	1,699,416	1,767,799
Uniforms	1,029,356	1,029,356	515,472
Vehicles : fuel	1,093,165	1,093,165	1,313,811
	63,992,739	62,417,872	47,689,948
16.1 Payment to board members:			
Chairperson	101,286	-	-
Board members	283,677	-	-
Total	385,163	-	-
The board consists of a chairperson and 8 board members and is remunerated when attending a meeting.			
17 OTHER INCOME			
Insurance claims	505,403	505,403	187,892
Sale of redundant assets/ refuse bags	118,719	-	322,946
Sundry revenue	1,269,784	1,269,784	-
Training: SETA	433,501	433,501	-
Other	253,671	108,602	5,401,652
	2,581,278	2,317,290	6,912,490

West Rand District Municipality
Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

	2010 R GROUP	2010 R WRDM	2009 R WRDM
18 INTEREST PAID			
Long-term liabilities	1,425,288	1,425,288	1,636,337
Total interest on external borrowings	<u>1,425,288</u>	<u>1,425,288</u>	<u>1,636,337</u>
19.1 CORRECTION OF ERROR			
19.1.1 Government grant reserve			
Balance previously reported			20,385,558
Correction of asset value			373,187
Correction of depreciation value			(49,756)
Government grant balance restated			<u>20,688,989</u>
Donated vehicle and fire equipment received from province for the use of fire prevention.			
19.1.2 Revaluation reserve			
Balance previously reported			32,897,449
Correction (land)			2,016,000
Revaluation reserve balance restated			<u>34,903,449</u>
Land value DMA area.			
19.1.3 Long-term Liabilities			
Balance previously reported			5,595,581
Correction - cell phones			(8,000)
Correction - vehicles			17,808
Long-term liabilities balance restated			<u>5,607,389</u>
Balance corrections on cell phone and vehicle leases.			
19.1.4 Creditors			
Balance previously reported			6,404,221
Correction			992,158
Creditors balance restated			<u>7,386,419</u>
Correction on leased fire vehicles - three instalments to Marco Fire R869 080. Salary advances now disclosed as debtors and not net movement in creditors R30 408, payments received in advance R82 711.			
19.1.5 Assets			
Balance previously reported			133,892,932
Revaluation			4,689,476
Assets balance restated			<u>138,582,408</u>
Correction of zero assets values (furniture, computer equipment, vehicles, plant and equipment).			
19.1.6 Depreciation			
Balance previously reported			63,298,287
Correction			498,015
Depreciation balance restated			<u>63,792,302</u>
Correction of zero assets depreciation values (furniture, computer equipment, vehicles, plant and equipment).			
19.1.7 Debtors			
Balance previously reported			13,812,247
Correction (disclosure)			109,324
Debtors balance restated			<u>13,921,571</u>
Correction: disclosure of salary advances R30 408, deposits paid R78 016 and other debtors R900.			
19.1.8 Value added taxation			
Balance previously reported			3,811,358
Correction (vat audit)			9,005
Value added taxation balance restated			<u>3,820,361</u>
Value added taxation audit undertaken by Max Prof, adjustment of differences.			

West Rand District Municipality
Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

	2010 R GROUP	2010 R WRDM	2009 R WRDM
19.2 Impact on statement of net assets			
Previously reported			60,694,687
Correction of error statement of financial performance (19.2.2)			68,810
Correction of error accumulated surplus			911,633
Adjustment zero assets			916,687
Adjustment depreciation donated assets			49,758
Adjustment accounting errors			(53,860)
Accumulated surplus for the year 30 June 2009 restated balance			<u>61,673,060</u>
19.2.2 Impact on statement of financial performance			
Previously reported			24,318,239
Correction of errors			68,810
Adjustment revenue services charges			7,050
Adjustment salaries			(14,294)
Adjustment depreciation			65,049
Adjustment general expenditure			9,005
Surplus for the year 30 June 2009 restated balance			<u>24,385,049</u>
19.3 CHANGE IN ACCOUNTING POLICY			
Implementation of GRAP 17			
19.3.1 Assets			
Assets donated to West Rand Development Agency	23,346,779	-	-
Overstatement of asset value (chairs)	(7,814)	-	-
Values: zero assets (computer, scale)	1,684	-	-
Adjustment of assets values	<u>23,340,649</u>	<u>-</u>	<u>-</u>
19.3.2 Depreciation			
Assets donated to West Rand Development Agency	(8,743,052)	-	-
Overstatement of depreciation value	8,829	-	-
Adjustment of depreciation value	<u>(8,736,223)</u>	<u>-</u>	<u>-</u>
19.3.3 Impact on statement of net assets			
Assets	(5,930)	-	-
Depreciation	8,829	-	-
Total correction of error	<u>899</u>	<u>-</u>	<u>-</u>
Adjustment of asset and depreciation values.			
20 CASH GENERATED BY OPERATIONS			
Surplus/(deficit) for the year	10,019,214	8,385,880	24,385,049
Adjustment for:-			
Depreciation	11,841,560	11,361,976	10,094,603
Gain/loss on disposal of property, plant and equipment	-	-	(270,801)
Other transfers (prev yr errors)	184,239	184,239	(1,070,090)
Contribution to provisions/reserves - non-current	18,182,618	18,182,618	(8,558,825)
Interest paid	1,425,288	1,425,288	1,638,337
Investment Income	(10,238,716)	(9,888,655)	(12,850,535)
Operating surplus before working capital changes:	<u>31,414,203</u>	<u>29,651,426</u>	<u>16,265,638</u>
(Increase)/Decrease in inventories	(52,903)	(39,976)	38,948
(Increase)/decrease in debtors: property	(485,634)	(485,634)	-
(Increase)/decrease in debtors: other	(1,420,853)	(1,217,186)	(9,810,120)
(Increase)/decrease in value added taxation receivable	1,694,049	1,694,049	(84,769)
(Increase)/decrease in current portion of long-term debtors	46,209	46,209	149,977
Increase/(decrease) in other provisions & reserves	(17,584,344)	(17,584,344)	7,256,385
(Decrease)/increase in unspent conditional grants and receipts	3,048,799	(1,331,709)	21,018,635
(Decrease)/increase in value added taxation	-	-	(419,138)
(Decrease)/increase in creditors	5,845,367	4,397,444	(1,185,985)
Other adjustments	38,138	38,138	65,499
Cash generated by/(utilised in) operations	<u>22,343,131</u>	<u>15,168,518</u>	<u>32,301,945</u>

West Rand District Municipality
Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

	2010 R GROUP	2010 R WRDM	2009 R WRDM
21 CASH AND CASH EQUIVALENTS			
Cash and cash equivalents included in the cash flow statement comprise the following statement of amounts indicating financial position:			
Bank balances and cash	51,204,611	50,620,641	15,463,306
Call investment deposits	77,474,874	72,619,713	99,131,645
Total cash and cash equivalents	128,679,485	123,240,354	114,614,951
22 UTILISATION OF LONG-TERM LIABILITIES RECONCILIATION			
Long-term liabilities (see Note 2)	13,455,274	13,455,274	15,725,331
Used to finance property, plant and equipment – local municipalities	13,455,274	13,455,274	15,725,331
Total	-	-	-
Long-term liabilities have been utilised to finance assets on behalf of the Local Municipalities and these assets are not included in the asset register of the District Municipality.			
23 ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT			
23.1 Contributions to organised local government			
Opening balance	-	-	-
Council subscriptions	509,864	509,864	403,397
Amount paid - current year	(509,864)	(509,864)	(403,397)
Balance unpaid (included in creditors)	-	-	-
23.2 Audit fees			
Opening balance	-	-	-
Current year audit fee	1,408,105	1,408,105	1,126,728
Amount paid - current year	(1,408,105)	(1,408,105)	(1,126,728)
Balance unpaid (included in creditors)	-	-	-
23.3 VALUE ADDED TAXATION			
Value added taxation inputs received and value added taxation outputs received are shown in note 6. All value added taxation returns have been submitted by the due date throughout the year.			
23.4 PAYE and UIF			
Opening balance	-	-	-
Current year payroll deductions	14,707,084	14,337,414	12,007,055
Amount paid - current year	(14,707,084)	(14,337,414)	(12,007,055)
Balance unpaid (included in creditors)	-	-	-
23.5 Pension and medical aid deductions			
Opening balance	-	-	-
Current year payroll deductions and Council Contributions	23,198,398	23,198,398	18,607,120
Amount paid - current year	(23,198,398)	(23,198,398)	(18,607,120)
Balance unpaid (included in creditors)	-	-	-
24 CAPITAL COMMITMENTS			
Commitments in respect of capital expenditure:			
Approved and contracted for :-			
Infrastructure	14,173,400	14,173,400	23,821,599
Community	12,637,660	12,637,660	2,072,000
Other	4,679,000	2,788,000	-
Total	31,489,960	29,599,060	25,893,599
This expenditure will be financed from:			
Government grants	14,039,000	12,148,000	4,376,000
Own resources	17,450,960	17,450,960	21,517,599
Total	31,489,960	29,599,060	25,893,599
25 RETIREMENT BENEFIT INFORMATION			
Most councillors and employees belong to 3 defined benefit retirement funds, administered by the different administrators. These funds are subject to a triennial actuarial valuation. The last valuation was performed in 2008. These valuations indicate that the funds are in a sound financial position.			
An amount of R14,3m was contributed by council in respect of councillors and employees retirement funding. These contributions have been expensed.			
26 EVENTS AFTER THE REPORTING DATE			
Merafong fire department transferred to West Rand District Council as from 1 July 2010. Merafong flora transferred from Dr Kenneth Kaunda District Municipality to the WRDM as from 1 July 2010.			
27 COMPARISON WITH THE BUDGET			
The comparison of the Municipality's actual financial performance with that budgeted is set out in Annexure E(1) and E(2).			

West Rand District Municipality
Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

	2010 R GROUP	2010 R WRDM	2009 R WRDM
28 LEASES			
The Municipality complies with the general recognised accounting practise on leases (GRAP 13). None of the operating lease agreements provide for any escalation and the lease payments therefore remain the same for the lease period. No additional disclosure in this regard is included for the above reason.			
The total of future minimum lease payments under non-cancellable finance leases for each of the following periods:			
(i) Not later than one year;	3,139,094	3,117,631	670,648
(ii) Later than one year and not later than five years;	2,223,499	2,223,499	6,024,935
(iii) Later than five years.	-	-	-
29 DEVIATIONS FROM PROCUREMENT PROCESSES			
Deviations from official procurement processes to the value of R3 645 822 occurred during the 2009/2010 financial period.			
30 RISK MANAGEMENT			
30.1 Maximum Credit Risk Exposure			
Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The municipality only invest with the four major banks with high quality credit standing and limits exposure to any counter-party.			
Absa Bank	18,155,048	18,155,048	38,430,163
Standard Bank	23,010,918	18,155,767	11,136,666
First National Bank	18,155,048	18,155,048	11,136,666
Nedbank	18,153,664	18,153,664	38,428,350
Total	77,474,674	72,619,713	99,131,645
30.2 Liquidity risk			
The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments. Cash flow forecasts are prepared monthly and adequate funds are made available for commitments.			
Gross finance lease obligations	6,362,693	5,341,130	5,607,389
Borrowings -DBSA loans	13,455,274	13,455,274	15,725,331
30.3 Interest Rate Risk			
As the municipality has no significant interest-bearing assets, the municipality's income and operating cash flows are substantially independent of changes in market interest rates are substantially of changes in market interest rates.			
31 RELATED PARTIES			
To the best of the WRDMs knowledge and taking into account all disclosures made, no councillor or official has any direct or indirect personal or private business in any matter before the council, or acquired or stand to acquire any direct benefit from a contract concluded with the municipality.			
32 SHAREHOLDING			
Name	% of holding		
West Rand Development Agency	100		
The WRDA was established as an entity on the 1 October 2008 and only in operation at 1 August 2009. There was no changes in the shareholding from 1 August 2009 to 31 January 2010.			
32.1 Shareholding premium			
Assets were contributed by the WRDM for the establishment of the entity.		14,678,628	-
33 IRREGULAR EXPENDITURE			
Reconciliation of Irregular expenditure:			
Opening balance	503,746	503,746	-
Irregular expenditure incurred during the year	-	-	503,746.00
Condoned or written off by Council	-	-	-
Closing balance	503,746	503,746	503,746.00
Incident: Non adherence to supply chain procedures.			
34 CONTINGENT LIABILITIES			
Outstanding salary claims against council	68,740	68,740	-
J Jordaan			
Arbitration award for two months salary to the amount of R68 740 as a result of a dispute referred to the Bargaining Council.			
NO Blaai			
Not appointed as Internal auditor. Dispute referred to the Bargaining Council (amount unknown).			
RJ Mokoto			
Compensation for suspension more than three months, matter referred to the Bargaining Council (amount unknown).			
35 Revenue forgone			
In terms of the Municipal Property Rates Act 6 of 2004, newly rateable properties must be phased in over a period of three financial years, in accordance to Section 21 of the Act.			
In the first year, be at least 75 per cent of the rate for that year otherwise applicable to the property;			
In the second year, be at least 60 per cent of the rate for that year otherwise applicable to the property; and			
In the third year, be at least 25 per cent of the rate for that year otherwise applicable to the property;			

WEST RAND DISTRICT MUNICIPALITY
Group Annual Financial Statements for the year ended 30 June 2010
APPENDIX A

Schedule of External Loans

Group External borrowings	Loan number	Redeemable	Balance at 30 June 2009 R	Received during the period R	Redeemed written off during the period R	Balance at 30 June 2010 R
Annuity loans						
DBSA loan 10%	LRF0002	2014-09-30	979,125	-	(141,343)	837,782
DBSA loan 10%	LRF0003	2014-09-30	3,379,258	-	(487,819)	2,891,439
DBSA loan 10%	LRF0004	2014-09-30	6,790,329	-	(980,230)	5,810,099
DBSA loan 10%	LRF0005	2014-09-30	3,357,133	-	(484,625)	2,872,508
DBSA loan 10%	LRF0006	2014-09-30	577,014	-	(83,295)	493,719
DBSA loan 10%	9499/2	2014-09-30	642,472	-	(92,745)	549,727
			15,725,331	-	(2,270,057)	13,455,274
MTN cell phone contracts			781,595	284,785	(636,906)	429,474
Standard Bank lease vehicles			4,389,068	4,146,457	(3,741,596)	4,793,929
Zevoli rentals			436,726	191,133	(488,669)	139,190
			5,607,389	4,622,375	(4,867,171)	5,362,593
Total external borrowings			21,332,720	4,622,375	(7,137,228)	18,817,867

WRDM External borrowings	Loan number	Redeemable	Balance at 30 June 2009 R	Received during the period R	Redeemed written off during the period R	Balance at 30 June 2010 R
Annuity loans						
DBSA loan 10%	LRF0002	2014-09-30	979,125	-	(141,343)	837,782
DBSA loan 10%	LRF0003	2014-09-30	3,379,258	-	(487,819)	2,891,439
DBSA loan 10%	LRF0004	2014-09-30	6,790,329	-	(980,230)	5,810,099
DBSA loan 10%	LRF0005	2014-09-30	3,357,133	-	(484,625)	2,872,508
DBSA loan 10%	LRF0006	2014-09-30	577,014	-	(83,295)	493,719
DBSA loan 10%	9499/2	2014-09-30	642,472	-	(92,745)	549,727
			15,725,331	-	(2,270,057)	13,455,274
MTN cell phone contracts			781,595	242,476	(616,060)	408,011
Standard Bank lease vehicles			4,389,068	4,146,457	(3,741,596)	4,793,929
Zevoli rentals			436,726	191,133	(488,669)	139,190
			5,607,389	4,580,066	(4,846,325)	5,341,130
Total external borrowings			21,332,720	4,580,066	(7,116,382)	18,796,404

West Rand District Municipality
Group Annual Financial Statements for the year ended 30 June 2010
APPENDIX B
Analysis of Property, Plant and Equipment

Group	Cost/Revaluation						Accumulated Depreciation						Carrying value	Budget
	Opening balance	Restated balance June 2009	Additions	Disposals	Transfers & corrections	Closing balance	Opening balance	Restated balance June 2009	Additions	Disposals	Transfers & corrections	Closing balance		
Buildings	94,502,074	86,209,411	140,426	-	-	86,349,837	(47,578,767)	(35,822,396)	(2,067,567)	-	27,504	(37,862,459)	48,487,378	15,093,560
	94,502,074	86,209,411	140,426	-	-	86,349,837	(47,578,767)	(35,822,396)	(2,067,567)	-	27,504	(37,862,459)	48,487,378	15,093,560
	-	909,900	-	-	-	909,900	-	(655,128)	-18,198	-	-	(673,326)	236,574	-
	-	5,957,723	5,746,302	-	-	11,704,025	-	(3,725,269)	(65,184)	-	-	(3,790,453)	7,913,572	6,296,500
	2,391,576	2,391,576	100,245	-	-	2,491,821	(63,228)	(63,228)	(151,195)	-	-	(214,423)	2,277,398	3,876,900
Infrastructure	-	166,400	-	-	-	166,400	-	(116,480)	(16,640)	-	-	(133,120)	33,280	-
	335,832	8,423,841	-	-	-	8,423,841	(131,158)	(4,786,839)	(511,622)	-	-	(5,298,461)	3,125,380	2,072,000
	2,727,408	17,849,440	5,846,547	-	-	23,695,987	(194,386)	(9,346,944)	(762,839)	-	-	(10,109,783)	13,586,204	12,245,400
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	9,911,080	81,000	-	-	-	-	-	-	-	-	-	-	-	-
Community assets	81,000	81,000	-	-	-	81,000	-	-	-	-	-	-	81,000	-
	9,992,080	81,000	-	-	-	81,000	-	-	-	-	-	-	81,000	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Heritage Assets	-	4,298	9,557	-	-	13,855	-	(4,279)	(365)	-	-	(4,644)	9,211	6,000
	-	4,298	9,557	-	-	13,855	-	(4,279)	(365)	-	-	(4,644)	9,211	6,000
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Assets	-	4,403,585	960,224	-	500	5,364,309	-	(2,957,933)	(1,212,275)	-	-	(4,170,208)	1,194,101	1,458,000
	6,394,982	2,513,523	587,331	-	-	3,100,854	(3,735,164)	(1,174,826)	(500,744)	-	-	(1,675,570)	1,425,284	727,100
	-	8,348,752	-	-	-	8,348,752	-	(3,691,602)	(2,516,947)	-	-	(6,208,549)	2,140,203	-
	3,238,210	3,455,319	177,904	-	(8,933)	3,624,290	(1,844,567)	(2,047,421)	(842,342)	-	6,829	(2,882,934)	741,356	968,700
	1,379,538	907,486	-	-	-	907,486	(833,960)	(505,826)	(184,184)	-	5,405	(684,605)	222,881	-
	7,969,429	4,275,941	-	-	82,329	4,358,270	(5,407,008)	(2,374,606)	(817,179)	-	-	(3,191,785)	1,166,485	4,000
	20,340	20,340	-	-	-	20,340	(11,525)	(1,356)	-	-	-	(12,881)	7,459	-
	3,383,777	5,767,865	2,278,574	-	1,184	8,047,623	(2,277,336)	(3,371,096)	(767,749)	-	-	(4,138,845)	3,908,778	3,804,600
	22,386,276	29,692,811	4,004,033	-	75,080	33,771,924	(14,109,560)	(16,134,835)	(6,842,776)	-	12,234	(22,965,377)	10,806,547	6,962,400
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Leased assets	4,285,094	4,745,448	4,409,844	(1,175,370)	(159,681)	7,820,241	(1,413,573)	(2,483,848)	(2,168,013)	1,175,370	41,659	(3,434,832)	4,385,409	4,397,000
	4,285,094	4,745,448	4,409,844	(1,175,370)	(159,681)	7,820,241	(1,413,573)	(2,483,848)	(2,168,013)	1,175,370	41,659	(3,434,832)	4,385,409	4,397,000
	133,892,932	138,582,408	14,410,407	(1,175,370)	(84,601)	151,732,844	(63,296,286)	(63,792,302)	(11,841,560)	1,175,370	81,397	(74,377,095)	77,555,749	38,704,360
TOTAL														

APPENDIX B

Analysis of Property, Plant and Equipment

ॐ

WEST RAND DISTRICT MUNICIPALITY
Group Annual Financial Statements for the year ended 30 June 2010

APPENDIX C

Segmental analysis of Property, Plant and Equipment

Group	Cost/revaluation					Accumulated depreciation				
	Opening balance	Restated balance June 2009	Additions	Disposals	Transfers & corrections	Closing balance	Transfers & corrections	Disposals	Closing balance	Carrying value
Executive & council	4,122,853	4,332,472	790,291	(400,579)	85,228	4,807,412	(1,996,196)	(1,499,463)	(3,135,319)	1,672,093
Finance & admin	57,173,775	57,425,778	1,571,011	(161,330)	(37,694)	58,787,169	(31,448,229)	(3,773,446)	(35,188,684)	23,598,485
Planning & development	40,802,777	42,890,878	7,923,893	(46,434)	(9,695)	50,749,642	(15,722,554)	(1,237,994)	(16,828,662)	33,920,980
Health	651,476	561,984	-	(53,243)	1,793	500,534	(421,795)	(381,404)	(436,112)	64,422
Public safety	15,672,801	17,962,079	4,099,550	(503,178)	(124,403)	21,434,048	(8,404,602)	(4,923,807)	(13,176,326)	8,257,722
Sport & recreation	17,820,662	17,820,662	-	-	-	17,820,662	(5,193,395)	(254,455)	(5,447,850)	12,372,812
Road transport	148,588	158,555	25,662	-	(840)	183,377	(109,554)	(34,644)	(154,142)	29,235
TOTAL	136,452,932	141,142,408	14,410,407	(1,175,370)	(84,601)	154,292,844	(63,296,286)	(11,341,560)	(74,577,095)	79,715,749

WRDM	Cost/revaluation					Accumulated depreciation				
	Opening balance	Restated balance June 2009	Additions	Transfers to WRDA	Disposals	Transfers & corrections	Closing balance	Opening balance	Restated balance June 2009	Additions
Executive & council	4,122,853	4,332,472	790,291	-	(400,579)	85,228	4,807,412	(1,996,196)	(2,111,003)	(1,499,463)
Finance & admin	57,173,775	57,425,778	1,532,361	-	(161,330)	(37,694)	58,787,169	(31,448,229)	(31,587,174)	(3,773,446)
Planning & development	40,802,777	42,890,878	5,879,401	(5,525,117.00)	(46,434)	(9,695)	43,184,983	(15,722,554)	(15,843,931)	(893,469)
Health	651,476	561,984	-	-	(53,243)	1,793	500,534	(421,795)	(381,404)	(117,951)
Public safety	15,672,801	17,962,079	4,099,550	-	(503,178)	(124,403)	21,434,048	(8,404,602)	(8,755,897)	(4,923,807)
Sport & recreation	17,820,662	17,820,662	-	(17,820,662)	-	-	17,820,662	(5,193,395)	(5,193,395)	(254,455)
Road transport	148,588	158,555	25,662	-	-	(840)	183,377	(109,554)	(34,644)	(34,644)
TOTAL	136,452,932	141,142,408	12,327,285	(22,346,779)	(1,175,370)	(81,771,00)	128,865,773	(63,296,286)	(63,792,302)	(11,361,370)

WEST RAND DISTRICT MUNICIPALITY

APPENDIX D

SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED

30 JUNE 2010

WRDM		GROUP			WRDM		
2009 Actual income R	2009 Actual expenditure R	2009 Actual surplus R	Executive & Council Finance & Admin Planning & Development Health Public Safety Sport & Recreation Road transport	2010 Actual income R	2010 Actual expenditure R	2010 Actual surplus R	2010 Actual surplus R
1,176,174	41,368,967	(40,192,793)		860,067	37,204,547	(36,344,480)	(36,344,480)
130,098,538	16,107,399	113,991,139		141,283,567	32,531,721	108,751,846	108,751,846
293,338	25,304,693	(25,011,355)		8,112,510	32,153,005	(24,040,495)	(26,226,161)
36,083,636	36,023,266	60,370		32,052,611	34,203,190	(2,150,579)	(2,150,579)
12,222,767	30,165,058	(17,942,291)		14,203,705	43,826,450	(29,622,745)	(29,622,745)
40,702	1,148,995	(1,108,293)		133,669	741,519	(607,850)	(55,538)
-	5,478,528	(5,478,528)		-	5,966,485	(5,966,485)	(5,966,483)
179,915,155	155,596,906	24,318,249	Total	196,646,129	186,626,917	10,019,212	8,385,860

WEST RAND DISTRICT MUNICIPALITY
Group Annual Financial Statements for the year ended 30 June 2010

APPENDIX E(1)

Actual Versus Budget (Revenue & Expenditure)

Group	Actual R	Budget R	Variance R	Variance	Explanation of significant Variances
REVENUE					
Property rates	9,208,066	8,758,000	(450,066)	-5%	Implementation of property rates act
Service charges	3,598,056	3,373,360	(224,696)	-7%	Additional levies on fire services
Rental of facilities & equipment	1,517,740	1,311,780	(205,960)	-16%	Additional income received
Interest earned - external investment	10,238,716	9,200,000	(1,038,716)	-11%	Surplus cash invested
Interest earned - outstanding debtors	49,287	40,000	(9,287)	-23%	Handovers on debtors
Licenses & permits	117,966	100,820	(17,146)	-17%	Income did not occur
Income for agency service	28,417,500	27,780,000	(637,500)	-2%	Additional subsidy received
Government grants and subsidies	148,307,140	167,185,390	18,878,250	11%	All grants did not materialised
Other Income	2,581,278	35,089,960	32,508,682	93%	Utilisation of surplus funds carried over from previous financial year
Sub total revenue	204,035,749	252,839,310	51,386,932		
Less: revenue foregone	(7,389,620)	(7,158,000)	231,620	-3%	Rebates for property rates
Total revenue	196,646,129	245,681,310	51,618,552		
EXPENDITURE					
Employee related costs	94,598,546	97,324,930	2,726,384	3%	Vacancies not filled
Remuneration councillors	6,528,603	6,694,060	165,457	2%	Expenditure did not occur
Remuneration of board members	365,163	561,800	196,637	35%	Meetings not held regularly
Bad debts written-off	2,744,686	3,119,000	374,314	12%	Bad debt provision adjusted
Collection costs	11,413	66,200	54,787	83%	Less accounts handed over to debt collectors
Depreciation and impairment	11,841,580	7,902,700	(3,938,880)	-50%	Assets with values less than R2000 depreciated
Repairs & maintenance	2,989,445	5,770,670	2,781,225	48%	Leased vehicles with full maintenance plan
Interest on external borrowings	1,425,288	1,538,490	113,202	7%	Less interest paid to DBSA
Contracted services	6,000	200,000	194,000	97%	Expenditure did not occur
Grants & Subsidies paid	12,123,472	24,134,190	12,010,718	50%	Projects not completed
General expenses- other	53,992,739	98,912,410	42,919,671	44%	Expenditure did not occur
Total expenditure	186,626,915	244,224,450	105,365,050		
SURPLUS	10,019,214	1,456,860	(53,746,498)		

WRDM	Actual R	Budget R	Variance R	Variance	Explanation of significant Variances
REVENUE					
Property rates	9,208,066	8,758,000	(450,066)	-5%	Implementation of property rates act
Service charges	3,598,056	3,373,360	(224,696)	-7%	Additional levies on fire services
Rental of facilities & equipment	1,485,764	1,278,350	(207,414)	-16%	Additional income received
Interest earned - external investment	9,888,555	9,000,000	(888,555)	-10%	Surplus cash invested
Interest earned - outstanding debtors	49,287	40,000	(9,287)	-23%	Handovers on debtors
Licenses & permits	117,966	100,820	(17,146)	-17%	Additional income received
Income for agency service	28,417,500	27,780,000	(637,500)	-2%	Additional subsidy received
Government grants and subsidies	142,845,471	153,755,000	10,909,529	7%	All grants did not materialised
Other income	2,317,290	34,449,320	32,132,030	93%	Utilisation of surplus funds carried over from previous financial year
Sub total revenue	197,927,955	238,534,850	43,041,559	17%	
Less revenue foregone	(7,389,620)	(7,158,000)	231,620	-3%	Rebates for property rates
Total revenue	190,538,335	231,376,850	43,273,179	18%	
EXPENDITURE					
Employee related costs	92,583,984	94,585,440	2,001,456	2%	Vacancies not filled
Remuneration councillors	6,528,603	6,694,060	165,457	2%	Sitting allowances not paid
Bad debts written-off	2,744,686	3,119,000	374,314	12%	Bad debt provision adjusted
Collection costs	11,413	66,200	54,787	83%	Review of hand-over process
Depreciation and impairment	11,361,976	7,456,000	(3,905,976)	-52%	Assets with values less than R2000 depreciated
Repairs & maintenance	2,949,181	5,445,670	2,496,489	46%	Leased vehicles with full maintenance plan
Interest on external borrowings	1,425,288	1,538,490	113,202	7%	Less interest paid to DBSA
Contracted services	6,000	200,000	194,000	97%	Expenditure did not occur
Grants & subsidies paid	12,123,472	24,134,190	12,010,718	50%	Projects not completed
General expenses- other	52,417,872	86,680,940	34,211,591	40%	Programmes/professional fees did not occur
Total expenditure	182,152,475	229,919,990	47,721,193		
Net Surplus	8,385,860	1,456,860	(4,448,014)		

WEST RAND DISTRICT MUNICIPALITY
Group Annual Financial Statements for the year ended 30 June 2010
APPENDIX E(2)
Actual versus Budget (Acquisition of Property, Plant & Equipment)

Group	Actual R	Budget R	Variance R	Variance %	Explanation of significant Variances
Land and buildings					
Land and buildings	140,426	15,093,560	14,953,134	99%	Expenditure in DMA rollover
Infrastructure					
Roads	5,746,302	6,296,500	550,198	9%	Expenditure in DMA rollover
Water mains & purification	100,245	3,876,900	3,776,655	97%	Expenditure in DMA rollover
Security measures	-	2,072,000	2,072,000	100%	Expenditure in DMA rollover
Heritage Assets					
Paintings & art galleries	9,557	6,000	(3,557)	-59%	Purchases exceeded budget amount
Other Assets					
Computer equipment	960,224	1,458,000	497,776	34%	Saving on expenditure
Emergency equipment	587,331	727,100	139,769	19%	Saving on expenditure
Furniture & fittings	177,904	968,700	790,796	82%	Saving on expenditure
Office equipment	-	4,000	4,000	100%	Saving on expenditure
Plant & equipment	2,278,574	3,804,600	1,526,026	40%	Saving on expenditure
Leased assets	4,409,844	4,397,000	(12,844)	100%	Lease contracts
Total	14,410,407	38,704,360	24,293,953		

WRDM	Actual R	Budget R	Variance R	Variance %	Explanation of significant Variances
Land and buildings					
Land and buildings	140,426	13,353,560	13,213,134	99%	Expenditure in DMA rollover
Infrastructure					
Roads	5,746,302	6,296,500	550,198	9%	Expenditure in DMA rollover
Water mains & purification	100,245	3,876,900	3,776,655	97%	Expenditure in DMA rollover
Security measures	-	2,072,000	2,072,000	100%	Expenditure in DMA rollover
Heritage assets					
Paintings & art galleries	9,557	6,000	(3,557)	-59%	Purchases exceeded budget amount
Other assets					
Computer equipment	934,529	1,426,000	491,471	34%	Saving on expenditure
Emergency equipment	587,331	727,100	139,769	19%	Saving on expenditure
Furniture & fittings	177,904	968,700	790,796	82%	Saving on expenditure
Office equipment	-	4,000	4,000	100%	Saving on expenditure
Plant & equipment	234,082	719,600	485,518	67%	Saving on expenditure
Lease assets	4,396,909	4,397,000	91	100%	Lease contracts
Total	12,327,285	33,847,360	21,520,075		

West Rand District Municipality

APPENDIX F

DISCLOSURES OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

Group Name of Grants	Name of organ of state or municipal entity	Quarterly Receipts				Quarterly Expenditure			
		March	June	Sept	Dec	March	June	Sept	Dec
EMS subsidy	Gauteng Health	-	-	13,890,000	-	6,945,000	7,164,753	5,815,197	7,185,233
RSC replacement grant	National Government	-	-	54,692,100	40,306,546	35,646,278	24,640,731	24,640,731	24,640,731
HIV/AIDS grant	Gauteng Province	-	2,000,000	-	-	-	844,238	844,238	844,238
MIG	National Government	-	-	-	-	6,517,000	-	-	-
Department of Economical Development	Provincial Government	-	-	6,425,000	-	-	-	-	-
Total		-	2,000,000	75,007,100	40,306,546	49,108,278	32,649,722	31,300,166	32,670,202

WRM Name of Grants	Name of organ of state or municipal entity	Quarterly Receipts				Quarterly Expenditure			
		March	June	Sept	Dec	March	June	Sept	Dec
EMS subsidy	Gauteng Health	-	-	13,890,000	-	6,945,000	7,164,753	5,815,197	7,185,233
RSC replacement grant	National Government	-	-	54,692,100	40,306,546	35,646,278	24,640,731	24,640,731	24,640,731
HIV/AIDS grant	Gauteng Province	-	2,000,000	-	-	-	844,238	844,238	844,238
MIG	National Government	-	-	-	-	6,517,000	-	-	-
Total		-	2,000,000	68,582,100	40,306,546	49,108,278	32,649,722	31,300,166	31,621,664

AMBULANCE SERVICE
ANALYSIS OF OPERATING INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2010

Actual 2009 R		Actual 2010 R	Budget 2010 R
	INCOME		
26,777,250	Government grants & subsidies	28,417,500	27,780,000
1,875,323	Levies	1,765,498	1,640,000
177,582	Other income	10,602	1,002,450
<u>28,830,155</u>	Total income	<u>30,193,600</u>	<u>30,422,450</u>
	EXPENDITURE		
17,475,385	Salaries and wages	19,935,717	21,261,210
5,201,909	General expenses	4,938,960	7,501,310
1,799,669	Bad debt provision	1,691,442	1,479,000
65,965	Repairs and maintenance	5,176	246,760
58,517	Depreciation	15,078	10,040
<u>24,601,445</u>	Total expenditure	<u>26,586,373</u>	<u>30,498,320</u>
<u>4,228,710</u>	Operating (deficit)/surplus for the year	<u>(3,607,227)</u>	<u>(75,870)</u>

AMBULANCE SERVICE
INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2010

2009 Actual R		2010 Actual R	2010 Budget R
	SURPLUS/(DEFICIT) FROM ORDINARY ACTIVITIES		
4,228,710	Administration	(3,607,227)	(75,870)
<u>4,228,710</u>	Net (deficit)/surplus for the year	<u>(3,607,227)</u>	<u>(75,870)</u>
<u>4,228,710</u>	Net (deficit)/surplus for the year before appropriations	<u>(3,607,227)</u>	<u>(75,870)</u>
471,370	Unappropriated surplus at the beginnng of the year	4,700,080	-
	Transfer to provisions		
<u>4,700,080</u>	Unappropriated surplus at the end of the year	<u>1,092,853</u>	<u>(75,870)</u>

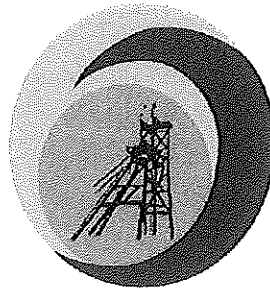
CONSOLIDATED METROPOLITAN TRANSPORT FUND
ANALYSIS OF OPERATING INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2010

2009 Actual R		2010 Actual R	2010 Budget R
	INCOME		
107,781	Government grants & subsidies	53,360	-
<u>107,781</u>	Total income	<u>53,360</u>	<u>-</u>
	EXPENDITURE		
705,181	Projects	7,200	7,200
<u>705,181</u>	Total expenditure	<u>7,200</u>	<u>7,200</u>
<u>(597,400)</u>	Operating surplus for the year	<u>46,160</u>	<u>(7,200)</u>

CONSOLIDATED METROPOLITAN TRANSPORT FUND
INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2010

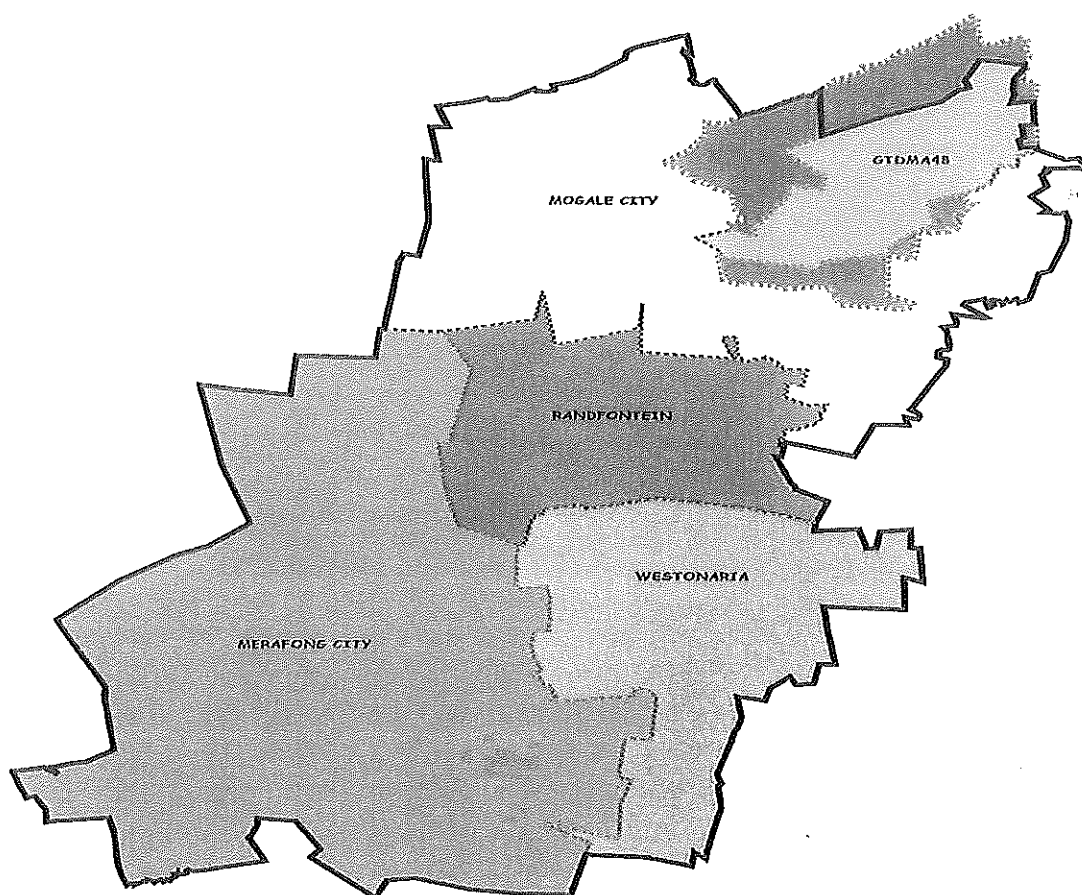
2009 Actual R		2010 Actual R	2010 Budget R
	SURPLUS FROM ORDINARY ACTIVITIES		
(597,400)	Administration	46,160	-
<u>(597,400)</u>	Net surplus for the year	<u>46,160</u>	<u>-</u>
	Extraordinary items		
<u>(597,400)</u>	Net surplus before appropriations	<u>46,160</u>	<u>-</u>
1,355,207	Unappropriated surplus at the beginnng of the year	757,807	-
<u>757,807</u>	Unappropriated surplus at the end of the year	<u>803,967</u>	<u>-</u>

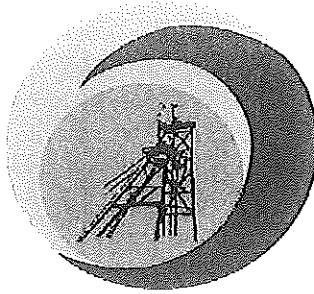
WEST RAND DISTRICT MUNICIPALITY



GROUP ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED

30 JUNE 2010





WEST RAND DISTRICT MUNICIPALITY
GROUP ANNUAL FINANCIAL STATEMENTS
for the year ended
30 June 2010

I am responsible for the preparation of these annual financial statements, which are set out on pages 1 to 37, in terms of Section 126(1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of Councillors as disclosed in note 14 and 15 of these annual financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Co-operative Governance and Traditional Affairs determination in accordance with this Act.

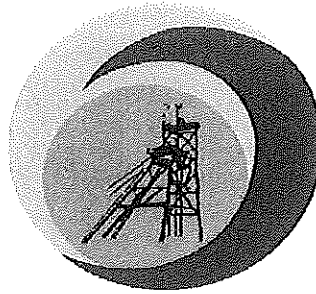

Mr MD Mokoena
Acting Municipal Manager

23/07/2010
Date

West Rand District Municipality

Group Annual Financial Statements for the year ended 30 June 2010

INDEX	
	Page
Statement of Financial Position	1
Statement of Financial Performance	2
Statement of Changes in Net Assets	3
Cash Flow Statement	4
Accounting Policies	5 - 16
Notes to the Annual Financial Statements	17-27
Appendix A: Schedule of External Loans	28
Appendix B: Analysis of Property, Plant and Equipment	29 - 30
Appendix C: Segmental Analysis of Property, Plant and Equipment	31
Appendix D: Segmental Statement of Financial Performance	32
Appendix E(1): Actual versus Budget (Revenue and Expenditure)	33
Appendix E(2): Actual versus Budget (Acquisition of Property, Plant and Equipment)	34
Appendix F: Disclosures of Grants and subsidies in Terms of the Municipal Finance Management Act	35
Memo statement 1 : Ambulance services	36
Memo statement 2 : Transport fund	37



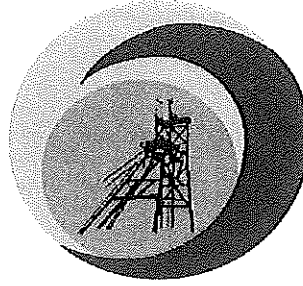
WEST RAND DISTRICT MUNICIPALITY
GROUP ANNUAL FINANCIAL STATEMENTS
for the year ended
30 June 2010

I am responsible for the preparation of these annual financial statements, which are set out on pages 1 to 37, in terms of Section 126(1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of Councillors as disclosed in note 14 and 15 of these annual financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Co-operative Governance and Traditional Affairs determination in accordance with this Act.

Mr MD Mokoena
Acting Municipal Manager

Date

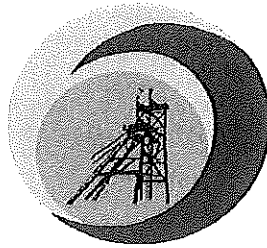


WEST RAND DISTRICT MUNICIPALITY

Group Annual Financial Statements for the year ended 30 June 2010

Statement of Financial Position as at 30 June 2010

		GROUP	WRDM
	Note	2010 R	2010 R 2009 R
NET ASSETS AND LIABILITIES			
Net assets		165,906,312	164,267,744 139,891,350
Other Reserves	1	22,555,861	22,555,861 22,625,822
Government grant reserve		22,642,627	20,680,401 20,688,969
Revaluation reserve		32,527,176	32,527,176 34,903,499
Accumulated surplus/(deficit)		88,180,648	88,504,306 61,673,060
Non-current liabilities		13,236,914	13,236,914 15,291,128
Borrowings	2.1	11,013,415	11,013,415 13,510,492
Lease liability	2.2	2,223,499	2,223,499 1,780,636
Current liabilities		48,068,843	42,418,949 55,121,866
Borrowings	2.1	2,441,859	2,441,859 2,214,839
Lease liability	2.2	3,139,094	3,117,631 3,826,753
Provisions	3	3,409,762	3,409,762 18,696,312
Creditors	4	13,031,786	11,783,863 7,386,419
Unspent conditional grants & receipts	5	26,046,342	21,665,834 22,997,543
Total net assets and liabilities		227,212,069	219,923,607 210,304,344
ASSETS			
Non-current assets		80,145,885	78,513,149 77,441,776
Property, plant and equipment	7.1	77,355,749	61,144,485 74,790,106
Investment property	7.2	2,560,000	2,560,000 2,560,000
Long-term receivables	8	230,136	230,136 91,670
Investment in WRDA (entity)	32	-	14,578,528 -
Current assets		147,066,184	141,410,458 132,862,568
Value added taxation - receivable	6	2,312,096	2,126,312 3,820,361
Current portion of long - term receivables	8	9,707	9,707 55,916
Inventory	9	422,722	409,794 449,769
Debtors: property rates	10.1	485,534	485,534 -
Debtors: other	10.2	15,156,640	15,138,757 13,921,571
Investments	11	77,474,874	72,619,713 99,131,645
Bank and Cash	12	51,204,611	50,620,641 15,483,306
Total assets		227,212,069	219,923,607 210,304,344

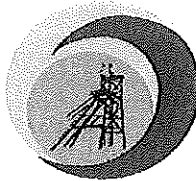


WEST RAND DISTRICT MUNICIPALITY

Group Annual Financial Statements for the year ended 30 June 2010

Statement of Financial Performance

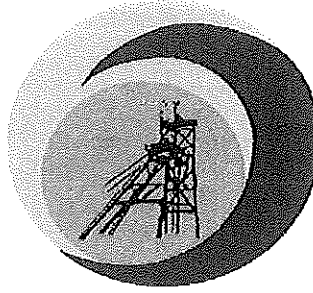
	Note	Group	WRDM	
		2010 R	2010 R	2009 R
REVENUE				
Property rates	10.4	9,208,066	9,208,066	-
Service charges		3,598,056	3,598,056	3,892,872
Rental of facilities & equipment		1,517,740	1,485,764	1,639,794
Interest earned - external investments		10,238,716	9,888,555	12,950,535
Interest earned - outstanding debtors		49,287	49,287	16,281
Licences & permits		117,966	117,966	74,095
Income for agency service	13	28,417,500	28,417,500	26,777,250
Government grants and subsidies	13	148,307,140	142,845,471	128,658,889
Other income	17	2,581,278	2,317,290	5,912,490
Sub total revenue		204,035,749	197,927,955	179,922,206
Less: revenue foregone	35	(7,389,620)	(7,389,620)	-
Total revenue		196,646,129	190,538,335	179,922,206
EXPENDITURE				
Employee related cost	14	94,598,546	92,583,984	80,464,096
Remuneration of councillors	15	6,528,603	6,528,603	5,293,940
Remuneration of board members	16.1	365,163	-	-
Bad debts		2,744,686	2,744,686	1,976,172
Collection cost		11,413	11,413	35,358
Depreciation and impairment	7.1	11,841,560	11,361,976	10,094,503
Repairs & maintenance		2,989,445	2,949,181	3,290,278
Interest on external borrowings	18	1,425,288	1,425,288	1,636,337
Contracted services		6,000	6,000	-
Grants & subsidies paid		12,123,472	12,123,472	4,667,126
General expenses	16	53,992,739	52,417,872	47,889,948
Loss on disposal of property, plant and equipment		-	-	189,399
Total expenditure		186,626,915	182,152,475	155,537,157
Surplus for the year		10,019,214	8,385,860	24,385,049



WEST RAND DISTRICT MUNICIPALITY
Group Annual Financial Statements for the year ended 30 June 2010
Statement of Changes in Net Assets

Group	Note	Other reserves	Government grant reserve	Revaluation reserve R	Accumulated surplus/(deficit) R	Total R
2009						
Balance at 1 July 2009		15,486,901	20,398,686	-	51,111,167	86,996,744
Correction of error		-	-	-	452,809	452,809
Change in accounting policy		-	-	32,887,499	-	32,887,499
Restated balance		15,486,901	20,398,686	32,887,499	51,663,966	120,337,052
Surplus for the year		-	-	-	24,318,239	24,318,239
Correction to prior year surplus	19.2.2	-	-	-	66,810	66,810
Surplus for the year restated (June 2009)		-	-	-	24,385,049	24,385,049
Reserves utilised in operating		(705,181)	-	-	705,181	-
Transfer to capital replacement reserve		14,242,450	-	-	(14,242,450)	-
Property, plant and equipment purchased		(6,506,131)	-	-	6,506,131	-
Capital grants used to purchase property, plant and equipment		-	(33,128)	-	33,128	-
Transfer to provisions		-	-	-	(7,011,635)	(7,011,635)
Other transfers		107,783	-	-	(1,177,873)	(1,070,090)
Balance at 30 June 2009		22,626,822	20,366,558	32,887,499	60,761,497	136,640,376
2010						
Correction of error: grants	19.1.1	-	323,411	-	-	323,411
Correction of error: land value	19.1.2	-	-	2,016,000	-	2,016,000
Correction of error: accumulated surplus	19.2.1	-	-	-	911,563	911,563
Balance at 30 June 2009 (restated)		22,626,822	20,688,969	34,903,499	61,673,060	139,891,360
Surplus for the year		-	-	-	10,023,529	10,023,529
Change in accounting policy	19.3	-	-	-	899	899
Reserves utilised in operating		(7,200)	-	-	7,200	-
Transfer to capital replacement reserve		7,747,400	-	-	(7,747,400)	-
Property, plant and equipment purchased		(7,863,521)	-	-	7,863,521	-
Capital grants used to purchase property, plant and equipment		-	2,111,347	-	(2,111,347)	-
Offsetting of depreciation on property, plant and equipment		-	(157,689)	-	157,689	-
Transfers to provisions		-	-	(2,376,323)	18,182,618	15,806,295
Other transfers		53,360	-	-	130,879	184,239
Balance at 30 June 2010		22,655,861	22,642,627	32,527,176	88,180,648	165,906,312

WRDM	Note	Other reserves	Government grant reserve	Revaluation reserve R	Accumulated surplus/(deficit) R	Total R
2009						
Balance at 1 July 2009		15,486,901	20,398,686	-	51,111,167	86,996,744
Correction of error		-	-	-	452,809	452,809
Change in accounting policy		-	-	32,887,499	-	32,887,499
Restated balance		15,486,901	20,398,686	32,887,499	51,663,966	120,337,052
Surplus for the year		-	-	-	24,318,239	24,318,239
Correction to prior year surplus	19.2.2	-	-	-	66,810	66,810
Surplus for the year restated (June 2009)		-	-	-	24,385,049	24,385,049
Reserves utilised in operating		(705,181)	-	-	705,181	-
Transfer to capital replacement reserve		14,242,450	-	-	(14,242,450)	-
Property, plant and equipment purchased		(6,506,131)	-	-	6,506,131	-
Capital grants used to purchase property, plant and equipment		-	(33,128)	-	33,128	-
Transfers to provisions		-	-	-	(7,011,635)	(7,011,635)
Other transfers		107,783	-	-	(1,177,873)	(1,070,090)
Balance at 30 June 2009		22,626,822	20,366,558	32,887,499	60,761,497	136,640,376
2010						
Correction of error: grants	19.1.1	-	323,411	-	-	323,411
Correction of error: land value	19.1.2	-	-	2,016,000	-	2,016,000
Correction of error: accumulated surplus	19.2.1	-	-	-	911,563	911,563
Balance at 30 June 2009 (restated)		22,626,822	20,688,969	34,903,499	61,673,060	139,891,360
Surplus for the year		-	-	-	8,385,860	8,385,860
Reserves utilised in operating		(7,200)	-	-	7,200	-
Transfer to capital replacement reserve		7,747,400	-	-	(7,747,400)	-
Property, plant and equipment purchased		(7,863,521)	-	-	7,863,521	-
Capital grants used to purchase property, plant and equipment		-	66,855	-	(66,855)	-
Offsetting of depreciation on property, plant and equipment		-	(75,423)	-	75,423	-
Transfers to provisions		-	-	(2,376,323.00)	18,182,618	15,806,295
Other transfers		53,360	-	-	130,879	184,239
Balance at 30 June 2010		22,655,861	20,680,401	32,527,176	88,504,306	164,267,744



WEST RAND DISTRICT MUNICIPALITY

Group Annual Financial Statements for the year ended 30 June 2010 Cash Flow Statement

	Note	GROUP	WRDM	
		2010 R	2010 R	2009 R
CASH FLOW FROM OPERATING ACTIVITIES				
Cash receipts from ratepayers, government and other		189,277,155	179,355,609	178,781,374
Cash paid to suppliers and employees		(166,934,024)	(164,187,091)	(146,479,429)
Cash generated from/(utilised in) operations	20	22,343,131	15,168,518	32,301,945
Interest received		10,238,716	9,888,555	12,950,535
Interest paid	18	(1,425,288)	(1,425,288)	(1,636,337)
Net cash from operating activities		31,156,559	23,631,785	43,616,143
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment	7	(14,410,407)	(12,327,285)	(9,273,110)
(Increase)/Decrease in non-current receivables		(138,466)	(138,466)	69,456
(Increase)/Decrease in non-current investments		26,511,932	26,511,932	(38,097,782)
Net cash from investing activities		11,963,059	14,046,181	(47,301,436)
CASH FLOWS FROM FINANCING ACTIVITIES				
Loans raised/(repaid)		(2,543,152)	(2,536,316)	(3,572,520)
Other transfers		-	(4,315)	-
Net cash from financing activities		(2,543,152)	(2,540,631)	(3,572,520)
NET INCREASE IN CASH AND CASH EQUIVALENTS				
		40,576,466	35,137,335	(7,257,813)
Cash and cash equivalents at the beginning of the year		15,483,306	15,483,306	22,741,119
Cash and cash equivalents at the end of the year	12	56,059,772	50,620,641	15,483,306
		(40,576,466)	(35,137,335)	7,257,813

**WEST RAND DISTRICT MUNICIPALITY
ACCOUNTING POLICIES TO THE GROUP ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

1. BASIS OF ACCOUNTING

1.1 BASIS OF PRESENTATION

The group annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention unless specified otherwise.

These group annual financial statements have been prepared in accordance with Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act, (Act No 56 of 2003).

The standards comprise of the following:

GRAP 1	Presentation of financial statements
GRAP 2	Cash flow statements
GRAP 3	Accounting policies, changes in accounting estimates and errors
GRAP 6	Consolidated and separate financial statements
GRAP 9	Revenue from exchange transactions
GAMAP 9	Revenue from non-exchange transactions
GRAP 12	Inventories
GRAP 13	Leases
GRAP 14	Events after the reporting date
GRAP 16	Investment property
GRAP 17	Property, plant and equipment
GRAP 19	Provisions, contingent liabilities and contingent assets
IAS 32 (AC125)	Financial instruments: presentation
IAS 36 (AC 128)	Impairment of assets
IAS 39 (AC 133)	Financial instruments: recognition and measurements

The principal accounting policies adopted in the preparation of these group annual financial statements are set out below.

Assets, liabilities, revenues and expenses have not been offset except when offsetting is required or permitted by a Standard of GRAP.

The accounting policies applied are consistent with those used to present the previous year's financial statements, unless explicitly stated. The details of any changes in accounting policies are explained in the relevant policy, and the notes.

PRESENTATION CURRENCY

These group annual financial statements are presented in South African Rand, which is the functional currency of the municipality.

1.2 GOING CONCERN ASSUMPTION

These group annual financial statements have been prepared on the assumption that the municipality will continue to operate as a going concern for at least the next 12 months.

1.3 COMPARATIVE INFORMATION

Budget information in accordance with GRAP 1 and GRAP 24 (not yet effective), has been provided in an annexure to these financial statements and forms part of the audited group annual financial statements. Refer to Appendix E(1)and E(2).

When the presentation or classification of items in the group annual financial statements is amended, prior period comparative amounts are restated. The nature and reason for the reclassification is disclosed. Where accounting errors have been identified in the current

**WEST RAND DISTRICT MUNICIPALITY
ACCOUNTING POLICIES TO THE GROUP ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

1.4 STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

The following GRAP standards have been issued but are not yet effective and have not been early adopted by the municipality:

GRAP 18	Segment Reporting - issued March 2005
GRAP 21	Impairment on Non Cash generating Assets
GRAP 23	Revenue from Non-Exchange Transactions (Taxes and Transfers) - issued February 2008
GRAP 24	Presentation of Budget Information in Financial Statements - issued November 2007
GRAP 25	Employee benefits
GRAP 26	Impairment of Cash generating Assets
GRAP 103	Heritage Assets - issued July 2008
GRAP 104	Financial Instruments

The following standards, amendments to standards and interpretations have been issued but are not yet effective and have not been early adopted by the municipality:

IAS 19 Employee Benefits - effective 1 January 2009

IFRS 17 Distribution of Non-cash Assets to Owners - effective 1 July 2009

These standards are in line with the current standards applied by the WRDM and have no material impact on Group Annual Financial Statements.

2. RESERVES

2.1 Government Grant Reserve

When items of property, plant and equipment are financed from government grants, a transfer is made from the accumulated surplus/(deficit) to the Government Grants Reserve equal to the Government Grant recorded as revenue in the Statement of Financial Performance in accordance with a directive (budget circular) issued by National Treasury. When such items of property, plant and equipment are depreciated, a transfer is made from the Government Grant Reserve to the accumulated surplus/(deficit). The purpose of this policy is to promote community equity by ensuring that the future depreciation expenses that will be incurred over the useful lives of government grant funded items of property, plant and equipment are offset by transfers from this reserve to the accumulated surplus/(deficit)

When an item of property, plant and equipment financed from government grants is disposed, the balance in the Government Grant Reserve relating to such item is transferred to the accumulated surplus/(deficit).

2.2 Capital Replacement Reserve (CRR)

In order to finance the provision of Infrastructure and other items of property, plant and equipment from internal sources, amounts are transferred from the accumulated surplus/(deficit) to the CRR. The CRR is reduced and the accumulated surplus/(deficit) are credit by a corresponding amount when the amounts in the CRR are utilized.

The amount transferred to the CRR is based on the municipality's need to finance future capital projects included in the Integrated Development Plan.

**WEST RAND DISTRICT MUNICIPALITY
ACCOUNTING POLICIES TO THE GROUP ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

2.3 Donations and Public Contributions Reserve

When items of property, plant and equipment are financed from public contributions and donations, a transfer is made from the accumulated surplus/(deficit) to the Donations and Public Contributions Reserve equal to the donations and public contributions recorded as revenue in the Statement of Financial Performance in accordance with a directive (budget circular) issued by National Treasury. When such items of property, plant and equipment are depreciated, a transfer is made from the Donations and Public Contributions Reserve to the accumulated surplus/(deficit). The purpose of this policy is to promote community equity and facilitate budgetary control by ensuring that sufficient funds are set aside to offset the future depreciation charges that will be incurred over the estimated useful life of the item of property, plant and equipment financed from donations and public contributions.

When an item of property, plant and equipment financed from Donations and Public Contributions Reserve is disposed, the balance in the Donations and Public Contributions Reserve relating to such item is transferred to the accumulated surplus/(deficit).

2.4 Revaluation Reserve.

The surplus arising from the revaluation of land, buildings and infrastructure assets are credited to a non-distributable reserve. The revaluation surplus is realised as revalued buildings and infrastructure assets are depreciated, through a transfer from the revaluation reserve to the accumulated surplus/(deficit). On disposal, the net revaluation surplus is transferred to the accumulated surplus/(deficit) while gains or losses on disposal, based on revalued amounts, are credited or charged to the Statement of Financial Performance.

3. PROPERTY, PLANT AND EQUIPMENT

3.1 INITIAL RECOGNITION

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one year. Items of property, plant and equipment are initially recognised as assets on acquisition date and are initially recorded at cost. The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the municipality. Trade discounts and rebates are deducted in arriving at the cost. The cost also includes the necessary costs of dismantling and removing the asset and restoring the site on which it is located.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Where an asset is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

Major spare parts and servicing equipment qualify as property, plant and equipment when the municipality expects to use them during more than one period. Similarly, if the major spare parts and servicing equipment can be used only in connection with an item of property, plant and equipment, they are accounted for as property, plant and equipment.

**WEST RAND DISTRICT MUNICIPALITY
ACCOUNTING POLICIES TO THE GROUP ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

3.2 SUBSEQUENT MEASUREMENT - REVALUATION MODEL (LAND AND BUILDINGS and INFRASTRUCTURE ASSETS)

Subsequent to initial recognition, land, buildings and infrastructure are carried at a re-valued amount, being its fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation is credited directly to a revaluation surplus reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

A decrease in the carrying amount of an asset as a result of a revaluation is recognised in surplus or deficit, except to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

3.3 SUBSEQUENT MEASUREMENT of MOVABLE ASSETS - COST MODEL

Subsequent to initial recognition, items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Where the municipality replaces parts of an asset, it derecognises the part of the asset being replaced and capitalises the new component. Subsequent expenditure incurred on an asset is capitalised when it increases the capacity or future economic benefits associated with the asset.

3.4 DEPRECIATION AND IMPAIRMENT

Depreciation is calculated on the depreciable amount, using the straight-line method over the estimated useful lives of the assets. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately. The annual depreciation rates are based on the following estimated average asset lives:

	Years		Years
Infrastructure Assets		Movable Assets	
Roads and storm-water	30	Specialist vehicles	10
Civil infrastructure and pipe work	15 – 20	Other vehicles	3 – 5
Electrical Infrastructure	20 – 30	Office equipment	3 – 7
Sewer	15 – 20	Furniture and fittings	7 – 10
Security	5	Watercraft	15
		Bins and containers	5
Buildings	30	Specialised plant and equipment	10 – 15
Open spaces	15 – 20	Other items of plant and equipment	2 – 5
		Finance lease assets	
The above groupings include		Office equipment	2– 5
Heritage and Community Assets		Motor vehicles	3
and the Landfill Site..			
Recreational Facilities	20 – 30		

The residual value, the useful life of an asset and the depreciation method is reviewed annually and any changes are recognised as a change in accounting estimate in the Statement of Financial Performance.

The municipality tests for impairment where there is an indication that an asset may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. Where the carrying amount of an item of property, plant and equipment is greater than the estimated recoverable amount (or recoverable service amount), it is written down immediately to its recoverable amount (or recoverable service amount) and an impairment loss is charged to the Statement of Financial Performance.

**WEST RAND DISTRICT MUNICIPALITY
ACCOUNTING POLICIES TO THE GROUP ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

3.5 DE-RECOGNITION

Items of Property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

4. INTANGIBLE ASSETS

4.1 INITIAL RECOGNITION – REVALUATION MODEL.

An intangible asset is an identifiable non-monetary asset without physical substance. Examples include servitudes, computer software, licences, and development costs. The municipality recognises an intangible asset in its Statement of Financial Position only when it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the municipality and the cost or fair value of the asset can be measured reliably.

Where an intangible asset is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

Where an intangible asset is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

The municipality has only recognised servitudes as an intangible asset in the current financial year and has not recognised other intangible assets. Intangible Assets are carried at valuation amounts, being its fair value at the date of valuation less any impairment losses.

4.2 SUBSEQUENT MEASUREMENT - REVALUATION MODEL.

Subsequent to initial recognition, Intangible Assets are carried at a re-valued amount, being its fair value at the date of revaluation less any subsequent impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation is credited directly to a revaluation surplus reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

A decrease in the carrying amount of an asset as a result of a revaluation is recognised in surplus or deficit, except to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

4.3 AMORTISATION AND IMPAIRMENT

The municipality tests intangible assets with finite useful lives for impairment where there is an indication that an asset may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. Where the carrying amount of an item of an intangible asset is greater than the estimated recoverable amount (or recoverable service amount), it is written down immediately to its recoverable amount (or recoverable service amount) and an impairment loss is charged to the Statement of Financial Performance.

Intangible Assets are not amortised.

**WEST RAND DISTRICT MUNICIPALITY
ACCOUNTING POLICIES TO THE GROUP ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

4.4 DE-RECOGNITION

Intangible assets are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an intangible asset is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

5. INVESTMENT PROPERTY

5.1 INITIAL RECOGNITION

Investment property includes developed and undeveloped land, held for resale or for capital appreciation, rather than held to meet service delivery objectives.

This is the first year that the municipality implemented the accounting standard for Investment Property. To enable the municipality to measure the fair value of the Investment Property the property was valued by an external valuer.

At initial recognition, the municipality measures investment property at cost including transaction costs once it meets the definition of investment property. However, where an investment property was acquired through a non-exchange transaction (i.e. where it acquired the investment property for no or a nominal value), its cost is its fair value as at the date of acquisition.

5.2 SUBSEQUENT MEASUREMENT - FAIR VALUE MODEL

Investment property is measured using the fair value model. Under the fair value model, investment property is carried at its fair value at the reporting date. Any gain or loss arising from a change in the fair value of the property is included in surplus or deficit for the period in which it arises.

6. NON – CURRENT ASSETS HELD FOR SALE

6.1 INITIAL RECOGNITION

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification

6.2 SUBSEQUENT MEASUREMENT

Non-current assets held for sale (or disposal group) are measured at the lower of carrying amount and fair value less costs to sell.

A non-current asset is not depreciated (or amortised) while it is classified as held for sale, or while it is part of a disposal group classified as held for sale.

Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale are recognised in surplus or deficit.

**WEST RAND DISTRICT MUNICIPALITY
ACCOUNTING POLICIES TO THE GROUP ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

7. INVESTMENTS IN MUNICIPAL ENTITIES

Group Annual Financial Statements

The group annual financial statements include those of the holding company and its subsidiaries. The results of the subsidiaries are included from the effective date of acquisition.

Consolidated financial statements are prepared, on acquisition the group recognises the subsidiary's identifiable assets, liabilities and contingent liabilities at fair value, except for assets classified as held-for-sale, which are recognised at fair value less costs to sell, from the date control commences until the control ceases.

Municipal Annual Financial Statements

In the Municipality's separate annual financial statements, investments in municipal entities are carried at cost less any accumulated impairment.

Municipal entities are entities controlled by the WRDM. Control exists when the WRDM has the power to govern the financial and operating policies of an entity from its activities. In accessing control, potential voting rights that are currently exercisable are taken into account.

8. INVENTORIES

8.1 INITIAL RECOGNITION

Inventories consisting of consumable stores, raw materials, work-in-progress, purified water stock and finished goods, comprise current assets held for sale, consumption or distribution during the ordinary course of business. Inventories are initially recognised at cost. Cost generally refers to the purchase price, plus taxes, transport costs and any other costs in bringing the inventories to their current location and condition. Where inventory is manufactured, constructed or produced, the cost includes the cost of labour, materials and overheads used during the manufacturing process.

Where inventory is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of the item on the date acquired.

8.2 SUBSEQUENT MEASUREMENT

Inventories, consisting of consumable stores, raw materials, work-in-progress, purified water stock and finished goods, are valued at the lower of cost and net realisable value unless they are to be distributed at no or nominal charge, in which case they are measured at the lower of cost and current replacement cost. Redundant and slow-moving inventories are identified and written down in this way. Differences arising on the valuation of inventory are recognised in the Statement of Financial Performance in the year in which they arose. The amount of any reversal of any write-down of inventories arising from an increase in net realisable value or current replacement cost is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

The carrying amount of inventories is recognised as an expense in the period that the inventory was sold, distributed, written off or consumed, unless that cost qualifies for capitalisation to the cost of another asset.

In general, the basis of allocating cost to inventory items is the weighted average method.

**WEST RAND DISTRICT MUNICIPALITY
ACCOUNTING POLICIES TO THE GROUP ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

9. FINANCIAL INSTRUMENTS

9.1 INITIAL RECOGNITION

Financial instruments are initially recognised at fair value.

SUBSEQUENT MEASUREMENT

Financial Assets are categorized according to their nature as either financial assets at fair value through profit or loss, held-to maturity, loans and receivables, or available for sale. Financial liabilities are categorized as either at fair value through profit or loss or financial liabilities carried at amortized cost ("other"). The subsequent measurement of financial assets and liabilities depends on this categorization and, in the absence of an approved GRAP Standard on Financial Instruments, is in accordance with IAS 39.

9.2 TRADE AND OTHER RECEIVABLES

Trade and other receivables are categorized as financial assets: loans and receivables and are initially recognised at fair value and subsequently carried at amortized cost. Amortized cost refers to the initial carrying amount, plus interest, less repayments and impairments. An estimate is made for doubtful receivables based on a review of all outstanding amounts at year-end. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments (more than 90 days overdue) are considered indicators that the trade receivable is impaired. Impairments are determined by discounting expected future cash flows to their present value. Amounts that are receivable within 12 months from the reporting date are classified as current.

An impairment of trade receivables is accounted for by reducing the carrying amount of trade receivables through the use of an allowance account, and the amount of the loss is recognised in the Statement of Financial Performance within operating expenses.

9.3 TRADE PAYABLES AND BORROWINGS

Financial liabilities consist of trade payables and borrowings. They are categorized as financial liabilities' held at amortized cost, are initially recognised at fair value and subsequently measured at amortized cost which is the initial carrying amount, less repayments, plus interest.

9.4 CASH AND CASH EQUIVALENTS

Cash includes cash on hand (including petty cash) and cash with banks (including call deposits). Cash equivalents are short-term highly liquid investments, readily convertible into known amounts of cash, that is held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks, net of bank overdrafts. The municipality categorises cash and cash equivalents as financial assets: loans and receivables.

10. UNAUTHORIZED EXPENDITURE

Unauthorized expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No.56 of 2003). Unauthorized expenditure is accounted for as an expense in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance

**WEST RAND DISTRICT MUNICIPALITY
ACCOUNTING POLICIES TO THE GROUP ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

11. IRREGULAR EXPENDITURE

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the Municipality's supply chain management policy. Irregular expenditure excludes unauthorized expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance

12. FRUITLESS AND WASTEFUL EXPENDITURE

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

13. PROVISIONS

Provisions are recognised when the municipality has a present or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the provision can be made. Provisions are reviewed at reporting date and adjusted to reflect the current best estimate. Where the effect is material, non-current provisions are discounted to their present value using a pre-tax discount rate that reflects the market's current assessment of the time value of money, adjusted for risks specific to the liability (for example in the case of obligations for the rehabilitation of land).

The municipality does not recognize a contingent liability or contingent asset. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is disclosed where an inflow of economic benefits is probable.

Future events that may affect the amount required to settle an obligation are reflected in the amount of a provision where there is sufficient objective evidence that they will occur. Gains from the expected disposal of assets are not taken into account in measuring a provision. Provisions are not recognised for future operating losses. The present obligation under an onerous contract is recognised and measured as a provision.

14. LEASES

14.1 MUNICIPALITIES AS LESSEE

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the municipality. Property, plant and equipment or intangible assets subject to finance lease agreements are initially recognised at the lower of the asset's fair value and the present value of the minimum lease payments. The corresponding liabilities are initially recognised at the inception of the lease and are measured as the sum of the minimum lease payments due in terms of the lease agreement, discounted for the effect of interest. In discounting the lease payments, the municipality uses the interest rate that exactly discounts the lease payments and unguaranteed residual value to the fair value of the asset plus any direct costs incurred.

Subsequent to initial recognition, the leased assets are accounted for in accordance with the stated accounting policies applicable to property, plant, equipment or intangibles. The lease liability is reduced by the lease payments, which are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred. The accounting policies relating to de-recognition of financial

**WEST RAND DISTRICT MUNICIPALITY
ACCOUNTING POLICIES TO THE GROUP ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

instruments are applied to lease payables. The lease asset is depreciated over the shorter of the asset's useful life or the lease term.

Operating leases are those leases that do not fall within the scope of the above definition. Operating lease rentals are accrued on a straight-line basis over the term of the relevant lease.

14.2 THE MUNICIPALITY AS LESSOR

Assets leased to third parties under operating leases are included in property, plant and equipment in the statement of financial position. These assets are depreciated over their expected useful lives on a basis consistent with similar owned property, plant and equipment.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

15. REVENUE

15.1 REVENUE FROM EXCHANGE TRANSACTIONS

Revenue from exchange transactions refers to revenue that accrued to the municipality directly in return for services rendered / goods sold, the value of which approximates the consideration received or receivable.

Interest revenue is recognised on a time proportion basis.

Revenue from the rental of facilities and equipment is recognised on a straight-line basis over the term of the lease agreement.

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant gazetted tariff. This includes the issuing of licences and permits.

Revenue from the sale of goods is recognised when substantially all the risks and rewards in those goods are passed to the consumer.

Revenue arising out of situations where the municipality acts as an agent on behalf of another entity (the principal) is limited to the amount of any fee or commission payable to the municipality as compensation for executing the agreed services.

Revenue from public contributions is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment is brought into use. Where public contributions have been received but the municipality has not met the condition, a liability is recognised.

15.2 REVENUE FROM NON-EXCHANGE TRANSACTIONS

Revenue from non-exchange transactions refers to transactions where the municipality received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

Revenue from property rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportionate basis.

**WEST RAND DISTRICT MUNICIPALITY
ACCOUNTING POLICIES TO THE GROUP ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

Revenue from agency services is recognised when it becomes due, together with an estimate of agency services revenue that will be received based on past experience of amounts collected.

Fines constitute both spot fines and summonses. Revenue from spot fines and summonses is recognised when payment is received.

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No.56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain.

15.3 GRANTS, TRANSFERS AND DONATIONS

Grants, transfers and donations received or receivable are recognised when the resources that have been transferred meet the criteria for recognition as an asset. A corresponding liability is raised to the extent that the grant, transfer or donation is conditional. The liability is transferred to revenue as and when the conditions attached to the grant are met. Grants without any conditions attached are recognised as revenue when the asset is recognised.

16. BORROWING COSTS

Borrowing costs are recognised as an expense in the Statement of Financial Performance.

17. RETIREMENT BENEFITS

The municipality provides retirement benefits for its employees and councillors except for employees who are remunerated on a total cost to company basis. The municipality also subsidizes medical aid fund contributions after retirement of certain employees. The contributions to fund obligations for the payment of retirement benefits are charged against revenue in the year they become payable. The defined benefit funds, which are administered on a provincial basis, are actuarially valued triennially on the projected unit credit method basis. Deficits identified are recognised as a liability and are recovered through lump sum payments or increased future contributions on a proportional basis to all participating municipalities.

18. RELATED PARTIES

Individuals as well as their close family members, and/or entities are related parties if one party has the ability, directly or indirectly, to control or jointly control the other party or exercise significant influence over the other party in making financial and/or operating decisions. Key management personnel of the municipality are those persons, directly and indirectly having authority and responsibility for planning, directing and controlling the activities of the municipality. Key management is defined as the Municipal Manager, Chief Financial Officer, Chief Operations Officer and all other managers reporting directly to the Municipal Manager or as designated by the Municipal Manager. The mayor and all WRDM Councillors are also identified as related parties.

19. EVENTS AFTER THE REPORTING DATE

Adjusting events after reporting date will be accounted for in the group annual financial statements, while non adjusting events after the reporting date are disclosed in the notes to the group annual financial statements.

**WEST RAND DISTRICT MUNICIPALITY
ACCOUNTING POLICIES TO THE GROUP ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

20. IMPAIRMENT OF ASSETS

The municipality assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the municipality estimates the recoverable service amount of the asset.

Irrespective of whether there is any indication of impairment, the municipality also: tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.

If there is any indication that an asset may be impaired, the recoverable service amount is estimated for the individual asset. If it is not possible to estimate the recoverable service amount of the individual asset, the recoverable service amount of the cash-generating unit to which the asset belongs is determined

The recoverable service amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable service amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in surplus or deficit. Any impairment loss of a revalued asset is treated as a revaluation decrease

An impairment loss is recognised for cash-generating units if the recoverable service amount of the unit is less than the carrying amount of the unit. The impairment loss is allocated to reduce the carrying amount of the assets of the unit as follows:-

To the assets of the unit, pro rata on the basis of the carrying amount of each asset in the unit.

A municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets may no longer exist or may have decreased. If any such indication exists, the recoverable service amounts of those assets are estimated.

The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation is recognised immediately in surplus or deficit. Any reversal of an impairment loss of a revalue asset is treated as a revaluation increase.

West Rand District Municipality
Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

	2010 R GROUP	2010 R WRDM	2009 R WRDM
1 OTHER RESERVES			
Transport fund	803,967	803,967	757,807
Unappropriated surplus	757,807	757,807	1,355,207
Transfers from operating income	53,360	53,360	107,781
Transfers for expenditure incurred	(7,200)	(7,200)	(705,181)
Bank and cash	803,967	803,967	757,807
Total transport fund: assets and liabilities	-	-	-
Capital Reserve Fund	21,751,894	21,751,894	21,668,015
Unappropriated surplus	21,668,015	21,668,015	14,131,695
Transfers from operating income	7,747,400	7,747,400	14,242,450
Transfers for expenditure incurred	(7,863,521)	(7,863,521)	(8,608,130)
Bank and cash	21,751,894	21,751,894	21,668,015
Total transport and capital reserve fund	22,555,861	22,555,861	22,625,822
2 BORROWINGS			
2.1 Annuity loans			
Unsecured borrowings: DBSA	13,455,274	13,455,274	15,725,331
Less : Current portion annuity	(2,441,859)	(2,441,859)	(2,214,839)
Total long term borrowings	11,013,415	11,013,415	13,510,492
DBSA loans bears interest of 10% per annum and is repayable over a period of 20 years. The loans were utilised to finance capital projects in the local municipalities. The remaining period of these loans are 4 years.			
2.2 Lease liability			
Capital lease liability	5,362,593	5,341,130	5,607,389
Less : Current portion leases	(3,139,094)	(3,117,631)	(3,828,763)
Total lease liability	2,223,499	2,223,499	1,780,636
Cell phone contracts lease term are 24 months, vehicles and photocopier/faxes lease terms are 36 months. Refer to Appendix A for more detail on borrowings.			
3 PROVISIONS			
The movement in the non-current provision is reconciled as follows: -			
3.1. Project provision			
Balance at beginning of year	17,944,013	17,944,013	11,385,187
Contributions to provision	-	-	17,605,446
Transferred to expenditure	(16,806,296)	(16,808,296)	(11,046,620)
Balance at end of year	2,137,717	2,137,717	17,944,013
Provision is to finance identified projects in the local municipalities and the WRDM. It is not certain when the monies will be spent by the local municipalities hence the amounts to be transferred and the timing are not certain.			
3.2 Staff performance bonuses			
Balance at beginning of year	752,299	752,299	452,810
Contributions to provision	573,270	573,270	299,489
Transferred to expenditure	(53,524)	(53,524)	-
Balance at end of year	1,272,045	1,272,045	752,299
Total provisions	3,409,762	3,409,762	18,696,312
Provision for section 57 employees. The payment of the bonuses are based on performance and therefore the performance, amounts and payment date are uncertain.			
4 CREDITORS			
Trade creditors	5,991,237	5,116,993	2,208,986
Salary third party payments	52,536	62,536	52,347
Retentions	162,400	-	-
Payments received in advance	232,231	232,231	228,262
Staff leave accrual	6,573,382	6,382,113	4,898,824
Total creditors	13,031,786	11,783,883	7,388,419
5 UNSPENT CONDITIONAL GRANTS AND RECEIPTS			
Conditional Grants from other spheres of government	26,046,342	21,665,834	22,997,543
Department of Economical Development	4,380,508	-	-
MSIG	465,359	465,359	-
LED grants-water and sanitation	12,148,000	12,148,000	18,673,000
HIV/Aids grant	305,443	305,443	2,164,544
Bekkersdal urban renewal	375,032	375,032	375,032
MIG	8,372,000	8,372,000	1,855,000
Transition grant	-	-	29,887
Total conditional grants and receipts	26,046,342	21,665,834	22,997,543
6 VALUE ADDED TAXATION			
Value added taxation receivable	2,312,096	2,128,312	3,820,361
Value added taxation is payable on the receipts basis. Once payment is received from debtors value added taxation is paid over to SARS. The West Rand Development Agency is registered for value added taxation since 17 March 2010.			

7 PROPERTY, PLANT AND EQUIPMENT

7.1 Property, plant and equipment

Group	Land and buildings R	Infra-structure R	Community R	Heritage R	Other R	Total R
Reconciliation of carrying value						
Carrying value at 1 July 2009	46,923,256	2,533,022	9,992,080	-	11,148,288	70,596,646
Cost	94,502,074	2,727,408	9,992,080	-	26,671,370	133,892,932
Accumulated depreciation	(47,578,818)	(194,386)	-	-	(15,523,082)	(63,296,286)
Correction of error (cost) - note 19.1.5	(8,292,663)	15,122,032	(9,911,080)	4,298	7,766,889	4,689,476
Correction of error (depreciation) - note 19.1.6	11,756,422	(9,152,558)	-	(4,279)	(3,095,601)	(496,016)
Restated balance 1 July 2009	50,387,015	8,502,496	81,000	19	15,819,576	74,790,106
Acquisitions	140,426	5,846,547	-	9,557	8,413,877	14,410,407
Corrections and transfers - cost	-	-	-	-	(84,601)	(84,601)
Depreciation	(2,087,567)	(762,839)	-	(365)	(9,010,789)	(11,841,560)
Corrections and transfers - depreciation	27,504	-	-	-	53,893	81,397
Carrying value of disposals	-	-	-	-	-	-
Cost	-	-	-	-	(1,175,370)	(1,175,370)
Accumulated depreciation	-	-	-	-	1,175,370	1,175,370
Carrying value at 30 June 2010	48,487,378	13,586,204	81,000	9,211	15,191,956	77,355,749
Cost	86,349,837	23,695,987	81,000	13,855	41,592,165	151,732,844
Accumulated depreciation	(37,862,459)	(10,109,783)	-	(4,644)	(26,400,209)	(74,377,095)

Details of valuation

West Rand District municipality engaged the services of an independent consortium of specialist companies, I@consulting, Bigen Africa, Imqs and GLS during the financial year as an initial step to establish an asset register for all councils immovable PPE. The companies are not connected to the municipality.

Assets that provide a service, or form part of a network that provides a service, for which the municipality is functional responsible were valued on the basis of depreciated replacement cost (DRC). Replacement costs will be based on replacing the asset under consideration with a modern equivalent asset which has the same functional capacity. Based on a condition assessment an accumulated depreciation charge was determined to establish the asset carrying value for inclusion in the asset register. The DRC method was decided on because the initial values and age of assets were not available and the aggregated values could not easily be compared with market values. The DRC method are based on condition assessment which also lend itself to impairment testing at the detailed asset level.

The depreciated replacement cost (DRC) model has been adopted using the straight line deterioration method to reflect the consumption of economic benefit. The approach necessitates information on the expected useful life (EUL), residual value (RV), current replacement cost (CRC), and remaining useful life (RUL) of each of the asset components. The CRC is the product of a unit rate and the extent of the component and represents the cost of replacing the asset, and in cases where the existing asset is obsolete, the replacement with a modern equivalent. The depreciable portion of an asset is determined by subtracting the residual value from the CRC. The depreciated replacement cost (DRC) is established by proportionately reducing the depreciable portion based on the fraction of the remaining useful life over the expected useful life.

The valuation date was 30 June 2009.

7.2 Investment property

Fair value

2,560,000 2,560,000

Total investment properties

2,560,000 2,560,000

Revenue of R538 957 earned from the investment property (BP garage) is included in the statement of financial performance. Revaluation for investment property will be performed every 3 years due to costs involved.

7.3 Assets with zero values

Assets with zero values were corrected in 2010, and assets with a value less than R2000.00 are depreciated in the same year to a R1 value.

Fifty percent of similar asset values in the asset register were used as a basis to correct zero values. Where no comparisons could be found values were obtained from suppliers.

7 PROPERTY, PLANT AND EQUIPMENT

7.1 Property, plant and equipment

WRDM	Land and Buildings R	Infra-structure R	Community R	Heritage R	Other R	Total R
Reconciliation of carrying value						
Carrying value at 1 July 2009	46,923,307	2,533,022	9,992,080	-	11,148,237	70,596,646
Cost	94,502,074	2,727,408	9,992,080	-	26,671,370	133,892,932
Accumulated depreciation	(47,578,767)	(194,386)	-	-	(15,523,133)	(63,296,286)
Correction of error (cost) - note 19.1.5	(8,292,663)	15,122,032	(9,911,080)	4,298	7,766,889	4,689,476
Correction of error (depreciation) - note 19.1.6	11,756,371	(9,152,558)	-	(4,279)	(3,095,550)	(496,016)
Restated balance 1 July 2009	50,387,015	8,502,496	81,000	19	18,819,576	74,790,106
Acquisitions	140,426	5,846,547	-	9,557	6,330,755	12,327,285
Corrections and transfers - cost	(15,763,838)	(5,979,773)	-	-	(1,684,939)	(23,428,550)
Depreciation	(1,901,092)	(609,379)	-	(365)	(8,851,140)	(11,361,976)
Corrections and transfers - depreciation	3,781,127	3,553,451	-	-	1,483,042	8,817,620
Carrying value of disposals	-	-	-	-	-	-
Cost	-	-	-	-	(1,175,370)	(1,175,370)
Accumulated depreciation	-	-	-	-	1,175,370	1,175,370
Carrying values at 30 June 2010	36,643,638	11,313,342	81,000	9,211	13,097,294	61,144,485
Cost	70,585,999	17,716,214	81,000	13,855	37,908,705	126,305,773
Accumulated depreciation	(33,942,361)	(6,402,872)	-	(4,644)	(24,811,411)	(65,161,288)

WRDM	Land and Buildings R	Infra-structure R	Community R	Heritage R	Other R	Total R
Reconciliation of carrying Value						
Carrying value at 1 July 2008	23,524,958	2,752,807	1,475,298	-	10,048,180	37,801,243
Cost	28,131,296	3,182,421	1,475,298	-	19,909,679	52,698,694
Investment assets	608,201	-	-	-	-	608,201
Accumulated depreciation	(5,214,539)	(429,614)	-	-	(9,861,699)	(15,505,852)
Revaluations	24,613,884	(214,368)	8,516,782	-	(28,809)	32,887,499
Cost	63,759,398	(533,093)	8,516,782	-	(63,164)	71,679,923
Accumulated depreciation	(39,145,514)	318,735	-	-	34,355	(38,792,424)
Correction of error (Cost)	-	-	-	-	3,244,376	3,244,376
Restated Balance 1 July 2008	48,138,642	2,538,449	9,992,080	-	10,019,371	70,688,742
Acquisitions	3,418,031	842,562	-	-	8,256,893	12,517,486
Depreciation	(3,218,765)	(83,507)	-	-	(6,857,129)	(10,159,401)
Carrying value of disposals	199,268	759,055	-	-	(270,801)	687,520
Cost	3,418,031	842,562	-	-	(1,432,238)	2,828,355
Accumulated depreciation	(3,218,765)	(83,507)	-	-	1,161,437	(2,140,835)
Revaluation	(221,242)	(764,482)	-	-	-	(985,724)
Other movements depreciation	-	-	-	-	(46)	(46)
Carrying value at 30 June 2009	46,923,307	2,533,022	9,992,080	-	11,148,237	70,596,646
Cost	94,502,074	2,727,408	9,992,080	-	26,671,370	133,892,932
Accumulated depreciation	(47,578,767)	(194,386)	-	-	(15,523,133)	(63,296,286)

Details of valuation

West Rand District municipality engaged the services of an independent consortium of specialist companies, I@consulting, Bigen Africa, Imqs and GLS during the financial year as an initial step to establish an asset register for all council's immovable PPE. The companies are not connected to the municipality.

Assets that provide a service, or form part of a network that provides a service, for which the municipality is functional responsible were valued on the basis of depreciated replacement cost (DRC). Replacement costs will be based on replacing the asset under consideration with a modern equivalent asset which has the same functional capacity. Based on a condition assessment an accumulated depreciation charge was determined to establish the asset carrying value for inclusion in the asset register. The DRC method was decided on because the initial values and age of assets were not available and the aggregated values could not easily be compared with market values. The DRC method are based on condition assessment which also lend itself to impairment testing at the detailed asset level.

The depreciated replacement cost (DRC) model has been adopted using the straight line deterioration method to reflect the consumption of economic benefit. The approach necessitates information on the expected useful life (EUL), residual value (RV), current replacement cost (CRC), and remaining useful life (RUL) of each of the asset components. The CRC is the product of a unit rate and the extent of the component and represents the cost of replacing the asset, and in cases where the existing asset is obsolete, the replacement with a modern equivalent. The depreciable portion of an asset is determined by subtracting the residual value from the CRC. The depreciated replacement cost (DRC) is established by proportionately reducing the depreciable portion based on the fraction of the remaining useful life over the expected useful life.

The valuation date was 30 June 2009.

7.2 Investment property

Fair value	2,560,000	2,560,000
Total Investment properties	2,560,000	2,560,000

Revenue of R538 957 earned from the investment property (BP garage) is included in the statement of financial performance. Revaluation for investment property will be performed every 3 years due to costs involved.

7.3 Assets with zero values

Assets with zero values were corrected in 2010, and assets with a value less than R2000.00 are depreciated in the same year to a R1 value.

Fifty percent of similar asset values in the asset register were used as a basis to correct zero values. Where no comparisons could be found values were obtained from suppliers.

West Rand District Municipality
Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

	2010 R GROUP	2010 R WRDM	2009 R WRDM
8 LONG-TERM RECEIVABLES			
Internal learner ship	239,843	239,843	147,586
Less : Current portion transferred to current receivables	(9,707)	(9,707)	(55,916)
Total	230,136	230,136	91,670
Internal learner ship (study assistance employees WRDM). All monies are recovered when an applicant fails.			
9 INVENTORY			
Consumable stores – at cost	409,794	409,794	449,769
Stock: raw materials	12,928	-	-
Total Inventory	422,722	409,794	449,769
10 DEBTORS			
		WRDM	
	Gross balance	Impairment of debtors	Net balance
As at 30 June 2009	R		R
Other debtors	14,907,226	1,350,142	13,557,084
Ambulance	4,614,888	4,160,499	384,487
Other			
Total other debtors	19,422,212	5,500,641	13,921,571
	R	R	R
As at 30 June 2010			
10.1 Debtors: property rates	659,005	173,471	485,534
Property rates			
10.2 Other debtors	15,407,338	879,837	14,527,501
Ambulance	78,616	-	78,616
Deposits paid	5,606	-	5,606
Salary advance-bonus payments	1,426,212	899,178	527,034
Other			
Total other debtors	16,917,772	1,779,015	15,138,767
	R	R	R
As at 30 June 2010			
10.1 Debtors: property rates	659,005	173,471	485,534
Property rates			
10.2 Debtors: other	15,407,338	879,837	14,527,501
Ambulance	78,616	-	78,616
Deposits paid	5,606	-	5,606
Salary advance-bonus payments	1,444,095	899,178	544,917
Other			
Total other debtors	16,935,655	1,952,488	15,166,640
	GROUP	WRDM	
Property rates	249,455	249,455	-
Current (0 – 30 days)	114,182	114,182	-
31 - 60 Days	40,988	40,988	-
61 - 90 Days	118,600	118,600	-
91 - 120 Days	137,882	137,882	-
+ 121 Days			
Total	659,005	659,005	-
Property rates levied as from 1 July 2009 in the DMA area.			
Ambulance	147,838	147,838	423,160
Current (0 – 30 days)	7,887,912	7,887,912	13,606,716
31 - 60 Days	7,116,362	7,116,362	190,593
61 - 90 Days	116,842	116,842	132,905
91 - 120 Days	138,384	138,384	653,847
+ 121 Days			
Total	15,407,338	15,407,338	14,907,226
Other	347,321	347,321	671,364
Current (0 – 30 days)	643,620	643,620	148,233
31 - 60 Days	233,382	233,382	192,533
61 - 90 Days	54,851	38,668	163,116
91 - 120 Days	284,821	284,821	3,439,741
+ 121 Days			
Total	1,444,095	1,425,212	4,614,986
The ambulance subsidy for the third and fourth quarter was not received, the amount of R14 627 500 is included in ambulance debtors.			

West Rand District Municipality
Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

	2010 R GROUP	2010 R WRDM	2009 R WRDM
10.3 Reconciliation of the bad debts provision			
Balance beginning of the year	5,600,641	5,600,641	12,166,814
Contributions to provision	-	-	848,464
Bad debts written off against provision	-	-	(6,394,148)
Reversal of provision	(3,548,155)	(3,548,155)	(1,118,289)
Balance end of year	<u>1,952,486</u>	<u>1,952,486</u>	<u>5,600,641</u>

Amounts owed for ambulance debtors are in terms of the service level agreement with the Department of Health and provided for as bad debt. Amounts written-off refers to ambulance fees not collected and written-off.

	GROUP	WRDM	
10.4 Property rates			
Residential	5,633,050	5,633,050	-
Agricultural	2,629,910	2,629,910	-
Commercial	1,045,108	1,045,108	-
Total	<u>9,208,068</u>	<u>9,208,068</u>	<u>-</u>

Property rates levied as from the 1 July 2009 in the DMA area (farm properties). Property rates are levied in advance R685 125 (June 2010) for July 2010.

	GROUP July 2009 R000's	WRDM July 2009 R000's	
Valuations			
Property valuations			
Residential	646,580	646,580	-
Agricultural	529,595	529,595	-
Commercial	141,990	141,990	-
Exempted	5,600	5,600	-
	<u>1,323,665</u>	<u>1,323,665</u>	<u>-</u>

11 CALL INVESTMENT DEPOSITS			
Other Deposits	<u>77,474,874</u>	<u>72,619,713</u>	<u>99,131,645</u>

12 CASH AND CASH EQUIVALENTS

The District Municipality has the following bank account: -
Standard Bank - Corporate account number 021307350

Primary account			
Cash book balance at beginning of year	15,463,166	15,463,166	22,735,969
Cash book balance at end of year	<u>50,600,491</u>	<u>50,600,491</u>	<u>15,463,166</u>
Bank statement balance at beginning of year	15,522,407	15,522,407	22,905,315
Bank statement balance at end of year	<u>50,669,167</u>	<u>50,669,167</u>	<u>15,522,407</u>

The entity has the following bank account: -
Standard Bank - Corporate account services branch: account number 021480856

Primary account			
Cash book balance at beginning of year	-	-	-
Cash book balance at end of year	<u>683,970</u>	<u>-</u>	<u>-</u>
Bank statement balance at 1 August 2009	4,316	-	-
Bank statement balance at end of year	<u>674,917</u>	<u>-</u>	<u>-</u>

Cash and cash equivalents			
Petty cash	20,160	20,160	20,160
Bank balance	<u>51,184,461</u>	<u>50,600,491</u>	<u>15,463,166</u>
Total bank and cash	<u>51,204,611</u>	<u>50,620,641</u>	<u>15,483,306</u>

13 GOVERNMENT GRANTS AND SUBSIDIES

Department of Economical Development	2,044,492	-	-
Equitable share	12,473,174	12,473,174	10,357,000
Finance management	750,000	750,000	685,628
HIV/Aids grant	1,859,100	1,859,100	3,636,953
MSIG	834,641	834,641	980,885
Other	28,763	28,763	-
Provincial ambulance subsidies (agency services)	28,417,500	28,417,500	26,777,250
Provincial LED projects	3,204	3,204	-
RSC replacement grant	128,898,589	128,898,589	113,098,423
West Rand Development Agency subsidy	3,417,177	-	-
Total Government Grants and Subsidies	<u>176,724,640</u>	<u>171,262,971</u>	<u>155,435,139</u>

13.1 Equitable Share

In terms of the Constitution, this grant is used to subsidise the provision of services to indigent community members.

West Rand District Municipality
Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

	2010 R GROUP	2010 R WRDM	2009 R WRDM
13.2 Department of Economical Development			
Balance unspent at beginning of year	-	-	-
Current year receipts	4,380,508	-	-
Conditions still to be met - transferred to liabilities (see note 5)	<u>4,380,508</u>	<u>-</u>	<u>-</u>
This grant is for a plastic recycling project whose aims are to contribute to a cleaner environment and job creation. The monies will be utilized for purchasing of plant and equipment, provision of allowances for identified cooperative members, skills development for cooperative members and establishment of buyback centres.			
13.3 Provincial LED projects			
Balance unspent at beginning of year	3,204	3,204	3,204
Conditions met - transferred to revenue	(3,204)	(3,204)	-
Conditions still to be met - transferred to liabilities (see note 5)	<u>-</u>	<u>-</u>	<u>3,204</u>
This grant was used to construct roads and sewerage Infrastructure as part of the upgrading of informal settlement areas (included in the roads and sewerage votes in Appendix B). No funds have been withheld.			
13.4 HIV/Aids grant			
Balance unspent at beginning of year	2,164,544	2,164,544	1,001,497
Current year receipts	-	-	4,700,000
Conditions met - transferred to revenue	(1,859,101)	(1,859,101)	(3,636,953)
Conditions still to be met - transferred to liabilities (see note 5)	<u>305,443</u>	<u>305,443</u>	<u>2,164,544</u>
This grant was used to finance the HIV/Aids campaigns at the WRDM and local municipalities.			
13.5 Bekkersdal urban renewal			
Balance unspent at beginning of year	375,032	375,032	375,032
conditions still to be met - transferred to liabilities (see note 5)	<u>375,032</u>	<u>375,032</u>	<u>375,032</u>
This grant was used to finance the urban renewal programme on behalf of the Provincial Government, the outstanding amount is the retention on this project.			
13.6 Other Conditional Grants			
Balance unspent at beginning of year	28,763	28,763	71,390
Current year receipts	-	-	641,000
Conditions met - transferred to revenue	(28,763)	(28,763)	(685,627)
Conditions still to be met - transferred to liabilities (see note 5)	<u>-</u>	<u>-</u>	<u>28,763</u>
These grants include balances of the FMG and Local Government transition grants and are used to finance expenditure according to the approved business plan.			
13.7 MSIG			
Balance unspent at beginning of year	-	-	245,885
Current year receipts	1,300,000	1,300,000	735,000
Conditions met - transferred to revenue	(834,641)	(834,641)	(980,885)
Conditions still to be met - transferred to liabilities (see note 5)	<u>465,359</u>	<u>465,359</u>	<u>-</u>
This grant was utilised to finance expenditure of the implementation of the Property Rates Act and funding for the development of the IDP and performance management system.			
13.8 MIG			
Balance unspent at beginning of year	1,855,000	1,855,000	282,000
Current year receipts	6,517,000	6,517,000	1,673,000
Conditions still to be met - transferred to liabilities (see note 5)	<u>8,372,000</u>	<u>8,372,000</u>	<u>1,855,000</u>
The Infrastructure grant is utilised to finance approved projects at the Local Municipalities. An amount of R3 213 235 was withheld as a result of MIG funding not spent.			
13.9 LED			
Balance unspent at beginning of year	18,573,000	18,573,000	18,573,000
Conditions met - transferred to revenue	(6,425,000)	(6,425,000)	-
Conditions still to be met - transferred to liabilities (see note 5)	<u>12,148,000</u>	<u>12,148,000</u>	<u>18,573,000</u>
The Infrastructure grant is utilised to finance water and sanitation projects at the DMA.			
Total unspent conditional grants (note 5)	<u><u>28,046,342</u></u>	<u><u>21,665,834</u></u>	<u><u>22,997,543</u></u>
14 EMPLOYEE RELATED COSTS			
Employee related costs - salaries and wages	53,593,728	51,579,164	46,029,001
Employee related costs - contributions to uif, pensions and medical aids	14,859,218	14,859,218	12,306,614
Travel, motor car, accommodation, subsistence and other allowances	15,653,309	15,653,309	13,692,808
Housing benefits and allowances	924,971	924,971	1,008,687
Overtime payments	8,994,052	8,994,052	7,070,808
Performance bonus contribution	573,270	573,270	358,280
Total employee related costs	<u><u>94,598,548</u></u>	<u><u>92,583,984</u></u>	<u><u>80,464,098</u></u>
There were no advances to employees.			

West Rand District Municipality
Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

	2010 R GROUP	2010 R WRDM	2009 R WRDM
Remuneration of the Municipal manager			
Annual remuneration	1,056,199	1,056,199	934,689
Performance bonuses	-	-	-
Total	1,056,199	1,056,199	934,689
Remuneration of the Chief financial officer			
Annual remuneration	917,844	917,844	812,250
Performance bonuses	53,524	53,524	-
Total	971,368	971,368	812,250
Remuneration of the Chief operational officer			
Annual remuneration	917,844	917,844	812,250
Performance bonuses	-	-	-
Total	917,844	917,844	812,250
Remuneration of the Chief executive officer - WRDA			
Annual remuneration	703,950	-	-
Performance bonuses	-	-	-
Total	703,950	-	-
Remuneration of individual executive directors			
16 REMUNERATION OF COUNCILLORS			
Executive mayor	577,199	577,199	568,675
Speaker	478,120	478,120	446,844
Mayoral committee members	2,857,979	2,657,979	2,246,900
Councillors	2,615,308	2,615,308	2,031,521
Total councillors remuneration	6,528,603	6,528,603	5,293,940
In-kind benefits			
The executive mayor, chief whip, speaker and mayoral committee members are full-time. Each is provided with an office and secretarial support at the cost of the council.			
The executive mayor is entitled to stay at the mayoral residence owned by council at no cost. The executive mayor has use of a council owned vehicle for official duties.			
The executive mayor has two full-time bodyguards.			
16 GENERAL EXPENDITURE			
CCTV surveillance	5,126,316	5,126,316	-
Deepening democracy	-	-	1,766,732
Entertainment	1,069,745	1,078,015	786,397
External audit fees	1,235,160	1,235,160	1,126,728
Insurance premium/excess payments	1,094,101	1,094,101	1,818,121
Landscaping	1,098,522	1,098,522	25,704
Lease equipment - operational cost	2,141,004	2,141,004	1,651,786
Levies: electricity/water/sewerage/refuse	2,109,126	1,984,236	2,361,241
Other cost	8,054,665	7,917,651	8,827,215
Professional fees	14,130,133	13,699,107	13,708,628
Projects Infrastructure	-	-	2,685,856
Security services	1,382,444	628,359	1,306,697
Soccer 2010 world cup	2,711,019	2,711,019	-
Special programmes	6,531,369	6,531,369	5,345,213
Stock and material	1,292,619	1,175,276	1,116,448
Telephone cost/ internet line/data cards	2,177,659	2,075,680	1,876,100
Training employees/Levy	1,699,416	1,699,416	1,767,799
Uniforms	1,029,356	1,029,356	515,472
Vehicles : fuel	1,093,165	1,093,165	1,313,811
	63,992,739	62,417,872	47,689,948
16.1 Payment to board members:			
Chairperson	101,286	-	-
Board members	283,677	-	-
Total	385,163	-	-
The board consists of a chairperson and 8 board members and is remunerated when attending a meeting.			
17 OTHER INCOME			
Insurance claims	505,403	505,403	187,892
Sale of redundant assets/ refuse bags	118,719	-	322,946
Sundry revenue	1,269,784	1,269,784	-
Training: SETA	433,501	433,501	-
Other	253,671	108,602	5,401,652
	2,581,278	2,317,290	6,912,490

West Rand District Municipality
Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

	2010 R GROUP	2010 R WRDM	2009 R WRDM
18 INTEREST PAID			
Long-term liabilities	1,425,288	1,425,288	1,636,337
Total interest on external borrowings	<u>1,425,288</u>	<u>1,425,288</u>	<u>1,636,337</u>
19.1 CORRECTION OF ERROR			
19.1.1 Government grant reserve			
Balance previously reported			20,385,558
Correction of asset value			373,187
Correction of depreciation value			(49,756)
Government grant balance restated			<u>20,688,989</u>
Donated vehicle and fire equipment received from province for the use of fire prevention.			
19.1.2 Revaluation reserve			
Balance previously reported			32,897,449
Correction (land)			2,016,000
Revaluation reserve balance restated			<u>34,903,449</u>
Land value DMA area.			
19.1.3 Long-term Liabilities			
Balance previously reported			5,595,581
Correction - cell phones			(8,000)
Correction - vehicles			17,808
Long-term liabilities balance restated			<u>5,607,389</u>
Balance corrections on cell phone and vehicle leases.			
19.1.4 Creditors			
Balance previously reported			6,404,221
Correction			992,158
Creditors balance restated			<u>7,386,419</u>
Correction on leased fire vehicles - three instalments to Marco Fire R869 080. Salary advances now disclosed as debtors and not net movement in creditors R30 408, payments received in advance R82 711.			
19.1.5 Assets			
Balance previously reported			133,892,932
Revaluation			4,689,476
Assets balance restated			<u>138,582,408</u>
Correction of zero assets values (furniture, computer equipment, vehicles, plant and equipment).			
19.1.6 Depreciation			
Balance previously reported			63,298,287
Correction			498,015
Depreciation balance restated			<u>63,792,302</u>
Correction of zero assets depreciation values (furniture, computer equipment, vehicles, plant and equipment).			
19.1.7 Debtors			
Balance previously reported			13,812,247
Correction (disclosure)			109,324
Debtors balance restated			<u>13,921,571</u>
Correction: disclosure of salary advances R30 408, deposits paid R78 016 and other debtors R900.			
19.1.8 Value added taxation			
Balance previously reported			3,811,358
Correction (vat audit)			9,005
Value added taxation balance restated			<u>3,820,361</u>
Value added taxation audit undertaken by Max Prof, adjustment of differences.			

West Rand District Municipality
Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

	2010 R GROUP	2010 R WRDM	2009 R WRDM
19.2 Impact on statement of net assets			
Previously reported			60,694,687
Correction of error statement of financial performance (19.2.2)			68,810
Correction of error accumulated surplus			911,633
Adjustment zero assets			916,687
Adjustment depreciation donated assets			49,758
Adjustment accounting errors			(53,860)
Accumulated surplus for the year 30 June 2009 restated balance			<u>61,673,060</u>
19.2.2 Impact on statement of financial performance			
Previously reported			24,318,239
Correction of errors			68,810
Adjustment revenue services charges			7,050
Adjustment salaries			(14,294)
Adjustment depreciation			65,049
Adjustment general expenditure			9,005
Surplus for the year 30 June 2009 restated balance			<u>24,385,049</u>
19.3 CHANGE IN ACCOUNTING POLICY			
Implementation of GRAP 17			
19.3.1 Assets			
Assets donated to West Rand Development Agency	23,346,779	-	-
Overstatement of asset value (chairs)	(7,814)	-	-
Values: zero assets (computer, scale)	1,684	-	-
Adjustment of assets values	<u>23,340,649</u>	<u>-</u>	<u>-</u>
19.3.2 Depreciation			
Assets donated to West Rand Development Agency	(8,743,052)	-	-
Overstatement of depreciation value	8,829	-	-
Adjustment of depreciation value	<u>(8,736,223)</u>	<u>-</u>	<u>-</u>
19.3.3 Impact on statement of net assets			
Assets	(5,930)	-	-
Depreciation	8,829	-	-
Total correction of error	<u>899</u>	<u>-</u>	<u>-</u>
Adjustment of asset and depreciation values.			
20 CASH GENERATED BY OPERATIONS			
Surplus/(deficit) for the year	10,019,214	8,385,880	24,385,049
Adjustment for:-			
Depreciation	11,841,560	11,361,976	10,094,603
Gain/loss on disposal of property, plant and equipment	-	-	(270,801)
Other transfers (prev yr errors)	184,239	184,239	(1,070,090)
Contribution to provisions/reserves - non-current	18,182,618	18,182,618	(8,558,825)
Interest paid	1,425,288	1,425,288	1,638,337
Investment Income	(10,238,716)	(9,888,655)	(12,950,535)
Operating surplus before working capital changes:	<u>31,414,203</u>	<u>29,651,426</u>	<u>16,265,638</u>
(Increase)/Decrease in inventories	(52,903)	(39,976)	38,948
(Increase)/decrease in debtors: property	(485,634)	(485,634)	-
(Increase)/decrease in debtors: other	(1,420,853)	(1,217,186)	(9,810,120)
(Increase)/decrease in value added taxation receivable	1,694,049	1,694,049	(84,769)
(Increase)/decrease in current portion of long-term debtors	46,209	46,209	149,977
Increase/(decrease) in other provisions & reserves	(17,584,344)	(17,584,344)	7,256,385
(Decrease)/increase in unspent conditional grants and receipts	3,048,799	(1,331,709)	21,018,635
(Decrease)/increase in value added taxation	-	-	(419,138)
(Decrease)/increase in creditors	5,845,367	4,397,444	(1,185,985)
Other adjustments	38,138	38,138	65,499
Cash generated by/(utilised in) operations	<u>22,343,131</u>	<u>15,168,518</u>	<u>32,301,945</u>

West Rand District Municipality
Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

	2010 R GROUP	2010 R WRDM	2009 R WRDM
21 CASH AND CASH EQUIVALENTS			
Cash and cash equivalents included in the cash flow statement comprise the following statement of amounts indicating financial position:			
Bank balances and cash	51,204,611	50,620,641	15,463,306
Call investment deposits	77,474,874	72,619,713	99,131,645
Total cash and cash equivalents	128,679,485	123,240,354	114,614,951
22 UTILISATION OF LONG-TERM LIABILITIES RECONCILIATION			
Long-term liabilities (see Note 2)	13,455,274	13,455,274	15,725,331
Used to finance property, plant and equipment – local municipalities	13,455,274	13,455,274	15,725,331
Total	-	-	-
Long-term liabilities have been utilised to finance assets on behalf of the Local Municipalities and these assets are not included in the asset register of the District Municipality.			
23 ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT			
23.1 Contributions to organised local government			
Opening balance	-	-	-
Council subscriptions	509,864	509,864	403,397
Amount paid - current year	(509,864)	(509,864)	(403,397)
Balance unpaid (included in creditors)	-	-	-
23.2 Audit fees			
Opening balance	-	-	-
Current year audit fee	1,408,105	1,408,105	1,126,728
Amount paid - current year	(1,408,105)	(1,408,105)	(1,126,728)
Balance unpaid (included in creditors)	-	-	-
23.3 VALUE ADDED TAXATION			
Value added taxation inputs received and value added taxation outputs received are shown in note 6. All value added taxation returns have been submitted by the due date throughout the year.			
23.4 PAYE and UIF			
Opening balance	-	-	-
Current year payroll deductions	14,707,084	14,337,414	12,007,055
Amount paid - current year	(14,707,084)	(14,337,414)	(12,007,055)
Balance unpaid (included in creditors)	-	-	-
23.5 Pension and medical aid deductions			
Opening balance	-	-	-
Current year payroll deductions and Council Contributions	23,198,398	23,198,398	18,607,120
Amount paid - current year	(23,198,398)	(23,198,398)	(18,607,120)
Balance unpaid (included in creditors)	-	-	-
24 CAPITAL COMMITMENTS			
Commitments in respect of capital expenditure:			
Approved and contracted for :-			
Infrastructure	14,173,400	14,173,400	23,821,599
Community	12,637,660	12,637,660	2,072,000
Other	4,679,000	2,788,000	-
Total	31,489,960	29,599,060	25,893,599
This expenditure will be financed from:			
Government grants	14,039,000	12,148,000	4,376,000
Own resources	17,450,960	17,450,960	21,517,599
Total	31,489,960	29,599,060	25,893,599

25 RETIREMENT BENEFIT INFORMATION

Most councillors and employees belong to 3 defined benefit retirement funds, administered by the different administrators. These funds are subject to a triennial actuarial valuation. The last valuation was performed in 2008. These valuations indicate that the funds are in a sound financial position.

An amount of R14,3m was contributed by council in respect of councillors and employees retirement funding. These contributions have been expensed.

26 EVENTS AFTER THE REPORTING DATE

Merapong fire department transferred to West Rand District Council as from 1 July 2010.
Merapong flora transferred from Dr Kenneth Kaunda District Municipality to the WRDM as from 1 July 2010.

27 COMPARISON WITH THE BUDGET

The comparison of the Municipality's actual financial performance with that budgeted is set out in Annexure E(1) and E(2).

West Rand District Municipality
Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

	2010 R GROUP	2010 R WRDM	2009 R WRDM
28 LEASES			
The Municipality complies with the general recognised accounting practise on leases (GRAP 13). None of the operating lease agreements provide for any escalation and the lease payments therefore remain the same for the lease period. No additional disclosure in this regard is included for the above reason.			
The total of future minimum lease payments under non-cancellable finance leases for each of the following periods:			
(i) Not later than one year;	3,139,094	3,117,631	670,648
(ii) Later than one year and not later than five years;	2,223,499	2,223,499	6,024,935
(iii) Later than five years.	-	-	-
29 DEVIATIONS FROM PROCUREMENT PROCESSES			
Deviations from official procurement processes to the value of R3 645 822 occurred during the 2009/2010 financial period.			
30 RISK MANAGEMENT			
30.1 Maximum Credit Risk Exposure			
Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The municipality only invest with the four major banks with high quality credit standing and limits exposure to any counter-party.			
Absa Bank	18,155,048	18,155,048	38,430,163
Standard Bank	23,010,918	18,155,767	11,136,666
First National Bank	18,155,048	18,155,048	11,136,666
Nedbank	18,153,664	18,153,664	38,428,350
Total	77,474,674	72,619,713	99,131,645
30.2 Liquidity risk			
The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments. Cash flow forecasts are prepared monthly and adequate funds are made available for commitments.			
Gross finance lease obligations	6,362,693	5,341,130	5,607,389
Borrowings -DBSA loans	13,455,274	13,455,274	15,725,331
30.3 Interest Rate Risk			
As the municipality has no significant interest-bearing assets, the municipality's income and operating cash flows are substantially independent of changes in market interest rates are substantially of changes in market interest rates.			
31 RELATED PARTIES			
To the best of the WRDMs knowledge and taking into account all disclosures made, no councillor or official has any direct or indirect personal or private business in any matter before the council, or acquired or stand to acquire any direct benefit from a contract concluded with the municipality.			
32 SHAREHOLDING			
Name	%	of holding	
West Rand Development Agency	100		
The WRDA was established as an entity on the 1 October 2008 and only in operation at 1 August 2009. There was no changes in the shareholding from 1 August 2009 to 31 January 2010.			
32.1 Shareholding premium			
Assets were contributed by the WRDM for the establishment of the entity.	14,678,628	-	-
33 IRREGULAR EXPENDITURE			
Reconciliation of Irregular expenditure:			
Opening balance	503,746	503,746	-
Irregular expenditure incurred during the year	-	-	503,746.00
Condoned or written off by Council	-	-	-
Closing balance	503,746	503,746	503,746.00
Incident: Non adherence to supply chain procedures.			
34 CONTINGENT LIABILITIES			
Outstanding salary claims against council	68,740	68,740	-
J Jordaan			
Arbitration award for two months salary to the amount of R68 740 as a result of a dispute referred to the Bargaining Council.			
NO Blaai			
Not appointed as Internal auditor. Dispute referred to the Bargaining Council (amount unknown).			
RJ Mokoto			
Compensation for suspension more than three months, matter referred to the Bargaining Council (amount unknown).			
35 Revenue forgone			
In terms of the Municipal Property Rates Act 6 of 2004, newly rateable properties must be phased in over a period of three financial years, in accordance to Section 21 of the Act.			
In the first year, be at least 75 per cent of the rate for that year otherwise applicable to the property;			
In the second year, be at least 60 per cent of the rate for that year otherwise applicable to the property; and			
In the third year, be at least 25 per cent of the rate for that year otherwise applicable to the property;			

WEST RAND DISTRICT MUNICIPALITY
Group Annual Financial Statements for the year ended 30 June 2010
APPENDIX A

Schedule of External Loans

Group External borrowings	Loan number	Redeemable	Balance at 30 June 2009 R	Received during the period R	Redeemed written off during the period R	Balance at 30 June 2010 R
Annuity loans						
DBSA loan 10%	LRF0002	2014-09-30	979,125	-	(141,343)	837,782
DBSA loan 10%	LRF0003	2014-09-30	3,379,258	-	(487,819)	2,891,439
DBSA loan 10%	LRF0004	2014-09-30	6,790,329	-	(980,230)	5,810,099
DBSA loan 10%	LRF0005	2014-09-30	3,357,133	-	(484,625)	2,872,508
DBSA loan 10%	LRF0006	2014-09-30	577,014	-	(83,295)	493,719
DBSA loan 10%	9499/2	2014-09-30	642,472	-	(92,745)	549,727
			15,725,331	-	(2,270,057)	13,455,274
MTN cell phone contracts			781,595	284,785	(636,906)	429,474
Standard Bank lease vehicles			4,389,068	4,146,457	(3,741,596)	4,793,929
Zevoli rentals			436,726	191,133	(488,669)	139,190
			5,607,389	4,622,375	(4,867,171)	5,362,593
Total external borrowings			21,332,720	4,622,375	(7,137,228)	18,817,867

WRDM External borrowings	Loan number	Redeemable	Balance at 30 June 2009 R	Received during the period R	Redeemed written off during the period R	Balance at 30 June 2010 R
Annuity loans						
DBSA loan 10%	LRF0002	2014-09-30	979,125	-	(141,343)	837,782
DBSA loan 10%	LRF0003	2014-09-30	3,379,258	-	(487,819)	2,891,439
DBSA loan 10%	LRF0004	2014-09-30	6,790,329	-	(980,230)	5,810,099
DBSA loan 10%	LRF0005	2014-09-30	3,357,133	-	(484,625)	2,872,508
DBSA loan 10%	LRF0006	2014-09-30	577,014	-	(83,295)	493,719
DBSA loan 10%	9499/2	2014-09-30	642,472	-	(92,745)	549,727
			15,725,331	-	(2,270,057)	13,455,274
MTN cell phone contracts			781,595	242,476	(616,060)	408,011
Standard Bank lease vehicles			4,389,068	4,146,457	(3,741,596)	4,793,929
Zevoli rentals			436,726	191,133	(488,669)	139,190
			5,607,389	4,580,066	(4,846,325)	5,341,130
Total external borrowings			21,332,720	4,580,066	(7,116,382)	18,796,404

West Rand District Municipality
Group Annual Financial Statements for the year ended 30 June 2010
APPENDIX B
Analysis of Property, Plant and Equipment

Group	Cost/Revaluation						Accumulated Depreciation						Carrying value	Budget
	Opening balance	Restated balance June 2009	Additions	Disposals	Transfers & corrections	Closing balance	Opening balance	Restated balance June 2009	Additions	Disposals	Transfers & corrections	Closing balance		
Buildings														
Land and buildings	94,502,074	86,209,411	140,426	-	-	86,349,837	(47,578,767)	(35,822,396)	(2,067,567)	-	27,504	(37,862,459)	48,487,378	15,093,560
	94,502,074	86,209,411	140,426	-	-	86,349,837	(47,578,767)	(35,822,396)	(2,067,567)	-	27,504	(37,862,459)	48,487,378	15,093,560
Infrastructure														
Drains	-	909,900	-	-	-	909,900	-	(655,128)	-18,198	-	-	(673,326)	236,574	-
Roads	-	5,957,723	5,746,302	-	-	11,704,025	-	(3,725,269)	(65,184)	-	-	(3,790,453)	7,913,572	6,296,500
Water mains & purification	2,391,576	2,391,576	100,245	-	-	2,491,821	(63,228)	(63,228)	(151,195)	-	-	(214,423)	2,277,398	3,876,900
Pedestrian facilities	-	166,400	-	-	-	166,400	-	(116,480)	(16,640)	-	-	(133,120)	33,280	-
Security measures	335,832	8,423,841	-	-	-	8,423,841	(131,158)	(4,786,839)	(511,622)	-	-	(5,298,461)	3,125,380	2,072,000
	2,727,408	17,849,440	5,846,547	-	-	23,695,987	(194,386)	(9,346,944)	(762,839)	-	-	(10,109,783)	13,586,204	12,245,400
Community assets														
Recreation grounds	9,911,080	-	-	-	-	-	-	-	-	-	-	-	-	-
Cemeteries	81,000	81,000	-	-	-	81,000	-	-	-	-	-	-	81,000	-
	9,992,080	81,000	-	-	-	81,000	-	-	-	-	-	-	81,000	-
Heritage Assets														
Paintings & art galleries	-	4,298	9,557	-	-	13,855	-	(4,279)	(365)	-	-	(4,644)	9,211	6,000
	-	4,298	9,557	-	-	13,855	-	(4,279)	(365)	-	-	-4,644	9,211	6,000
Other Assets														
Computer equipment	-	4,403,585	960,224	-	500	5,364,309	-	(2,957,933)	(1,212,275)	-	-	(4,170,208)	1,194,101	1,458,000
Emergency equipment	6,394,982	2,513,523	587,331	-	-	3,100,854	(3,735,164)	(1,174,826)	(500,744)	-	-	(1,675,570)	1,425,284	727,100
Fire engines	-	8,348,752	-	-	-	8,348,752	-	(3,691,602)	(2,516,947)	-	-	(6,208,549)	2,140,203	-
Furniture & fittings	3,238,210	3,455,319	177,904	-	(8,933)	3,624,290	(1,844,567)	(2,047,421)	(842,342)	-	6,829	(2,882,934)	741,356	968,700
Motor vehicles	1,379,538	907,486	-	-	-	907,486	(833,960)	(505,826)	(184,184)	-	5,405	(684,605)	222,881	-
Office equipment	7,969,429	4,275,941	-	-	82,329	4,368,270	(5,407,008)	(2,374,606)	(817,179)	-	-	(3,191,785)	1,166,485	4,000
Other transport	20,340	20,340	-	-	-	20,340	(11,525)	(11,525)	(1,356)	-	-	(12,881)	7,459	-
Plant & equipment	3,383,777	5,767,865	2,278,574	-	1,184	8,047,623	(2,277,336)	(3,371,096)	(767,749)	-	-	(4,138,845)	3,908,778	3,804,600
	22,386,276	29,692,811	4,004,033	-	75,080	33,771,924	(14,109,560)	(16,134,835)	(6,842,776)	-	12,234	(22,965,377)	10,806,547	6,962,400
Leased assets														
	4,285,094	4,745,448	4,409,844	(1,175,370)	(159,681)	7,820,241	(1,413,573)	(2,483,848)	(2,168,013)	1,175,370	41,659	(3,434,832)	4,385,409	4,397,000
	4,285,094	4,745,448	4,409,844	(1,175,370)	(159,681)	7,820,241	(1,413,573)	(2,483,848)	(2,168,013)	1,175,370	41,659	(3,434,832)	4,385,409	4,397,000
TOTAL	133,892,932	138,582,408	14,410,407	(1,175,370)	(84,601)	151,732,844	(63,296,286)	(63,792,302)	(11,841,560)	1,175,370	81,397	(74,377,095)	77,355,749	38,704,360

APPENDIX B

Analysis of Property, Plant and Equipment

83

Segmental analysis of Property, Plant and Equipment

Group	Cost/revolvement					Accumulated depreciation								
	Opening balance	Restated balance June 2009	Additions	Disposals	Transfers & corrections	Closing balance	Opening balance	Restated balance June 2009	Additions	Disposals	Transfers & corrections	Closing balance	Carrying value	Budget
Executive & council	4,122,853	4,332,472	790,291	(400,579)	85,228	4,807,412	(1,996,196)	(2,111,003)	(1,499,463)	400,579	74,568	(3,135,319)	1,672,093	207,100
Finance & admin	57,173,777	57,425,778	1,571,011	(161,936)	(37,694)	58,797,169	(31,448,229)	(31,587,174)	(3,773,446)	46,434	-	(3,773,446)	23,598,485	5,583,000
Planning & development	40,882,777	42,890,878	7,923,893	(46,424)	(3,695)	50,749,642	(15,722,559)	(15,645,931)	(1,237,894)	48,434	6,829	(13,828,684)	33,320,960	31,707,460
Health	651,476	581,894	-	(53,243)	1,793	500,534	(421,759)	(381,404)	69,243	500,178	-	(436,112)	64,422	3,000
Public safety	15,672,801	17,962,079	4,099,550	(503,178)	(124,403)	21,434,048	(8,404,602)	(8,755,897)	(4,323,607)	500,178	-	(13,176,326)	8,257,722	1,172,600
Sport & recreation	17,820,662	17,820,662	-	-	-	17,820,662	(5,183,355)	(5,183,355)	(254,455)	-	-	(5,447,850)	12,372,812	-
Road transport	148,588	158,555	25,662	-	(840)	183,377	(109,554)	(119,498)	(34,644)	-	-	(154,142)	29,235	37,200
TOTAL	136,452,932	141,142,408	14,410,407	(1,175,370)	(84,601)	154,292,844	(63,296,296)	(63,792,302)	(11,341,560)	1,175,370	81,397	(74,377,095)	79,915,749	38,710,860

WRDM	Cost/evaluation					Accumulated depreciation					Carrying value	Budget			
	Opening balance	Restated balance June 2009	Additions	Transfers to WRDA	Disposals	Transfers & corrections	Closing Balance	Opening balance	Restated balance June 2009	Additions			Transfers to WRDA	Disposals	Transfers & corrections
Executive & council	4,122,853	4,332,472	790,291	-	(400,579)	85,228.00	4,807,412	(1,986,190)	(2,111,003)	(1,489,453)	-	400,579	74,568	(3,135,319)	207,100
Finance & admin	57,175,775	57,425,778	1,532,391	-	(161,930)	(40,794.00)	58,755,439	(31,448,229)	(31,587,174)	(31,587,174)	-	161,936	-	(35,198,884)	5,583,000
Planning & development	40,862,777	42,880,878	5,879,401	(5,526,117.00)	(46,434)	(2,765.00)	43,184,963	(15,722,554)	(15,943,931)	(983,469)	3,545,135	40,434	-	(13,035,831)	26,850,460
Health	651,476	581,584	-	-	(63,243)	1,793.00	500,534	(421,755)	(381,404)	(117,951)	-	63,243	-	(438,112)	3,000
Public safety	15,872,801	17,962,079	4,099,550	-	(503,179)	(124,403.00)	21,434,048	(8,404,802)	(3,755,897)	(4,923,807)	5,197,917	503,178	-	(13,176,326)	1,172,000
Sport & recreation	17,820,862	17,820,862	-	(17,820,862)	-	-	-	(5,193,395)	(5,193,395)	(20,396)	-	-	-	(24,874)	37,200
Road transport	148,598	158,555	25,662	-	-	(840.00)	183,377	(109,554)	(119,498)	(24,644)	-	-	-	(154,142)	-
TOTAL	136,452,932	141,142,408	12,327,285	(23,346,779)	(1,175,370)	(81,771.00)	128,855,773	(62,296,285)	(63,792,302)	(11,351,976)	8,743,052	1,175,370	74,569	(65,161,288)	33,853,560

APPENDIX D

SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED

30 JUNE 2010

32

WEST RAND DISTRICT MUNICIPALITY
Group Annual Financial Statements for the year ended 30 June 2010

APPENDIX E(1)

Actual Versus Budget (Revenue & Expenditure)

Group	Actual R	Budget R	Variance R	Variance	Explanation of significant Variances
REVENUE					
Property rates	9,208,066	8,758,000	(450,066)	-5%	Implementation of property rates act
Service charges	3,598,056	3,373,360	(224,696)	-7%	Additional levies on fire services
Rental of facilities & equipment	1,517,740	1,311,780	(205,960)	-16%	Additional income received
Interest earned - external investment	10,238,716	9,200,000	(1,038,716)	-11%	Surplus cash invested
Interest earned - outstanding debtors	49,287	40,000	(9,287)	-23%	Handovers on debtors
Licenses & permits	117,966	100,820	(17,146)	-17%	Income did not occur
Income for agency service	28,417,500	27,780,000	(637,500)	-2%	Additional subsidy received
Government grants and subsidies	148,307,140	167,185,390	18,878,250	11%	All grants did not materialised
Other Income	2,581,278	35,089,960	32,508,682	93%	Utilisation of surplus funds carried over from previous financial year
Sub total revenue	204,035,749	252,839,310	51,386,932		
Less: revenue foregone	(7,389,620)	(7,158,000)	231,620	-3%	Rebates for property rates
Total revenue	196,646,129	245,681,310	51,618,552		
EXPENDITURE					
Employee related costs	94,598,546	97,324,930	2,726,384	3%	Vacancies not filled
Remuneration councillors	6,528,603	6,694,060	165,457	2%	Expenditure did not occur
Remuneration of board members	365,163	561,800	196,637	35%	Meetings not held regularly
Bad debts written-off	2,744,686	3,119,000	374,314	12%	Bad debt provision adjusted
Collection costs	11,413	66,200	54,787	83%	Less accounts handed over to debt collectors
Depreciation and impairment	11,841,580	7,902,700	(3,938,880)	-50%	Assets with values less than R2000 depreciated
Repairs & maintenance	2,989,445	5,770,670	2,781,225	48%	Leased vehicles with full maintenance plan
Interest on external borrowings	1,425,288	1,538,490	113,202	7%	Less interest paid to DBSA
Contracted services	6,000	200,000	194,000	97%	Expenditure did not occur
Grants & Subsidies paid	12,123,472	24,134,190	12,010,718	50%	Projects not completed
General expenses- other	53,992,739	98,912,410	42,919,671	44%	Expenditure did not occur
Total expenditure	186,626,915	244,224,450	105,365,050		
SURPLUS	10,019,214	1,456,860	(53,746,498)		

WRDM	Actual R	Budget R	Variance R	Variance	Explanation of significant Variances
REVENUE					
Property rates	9,208,066	8,758,000	(450,066)	-5%	Implementation of property rates act
Service charges	3,598,056	3,373,360	(224,696)	-7%	Additional levies on fire services
Rental of facilities & equipment	1,485,764	1,278,350	(207,414)	-16%	Additional income received
Interest earned - external investment	9,888,555	9,000,000	(888,555)	-10%	Surplus cash invested
Interest earned - outstanding debtors	49,287	40,000	(9,287)	-23%	Handovers on debtors
Licenses & permits	117,966	100,820	(17,146)	-17%	Additional income received
Income for agency service	28,417,500	27,780,000	(637,500)	-2%	Additional subsidy received
Government grants and subsidies	142,845,471	153,755,000	10,909,529	7%	All grants did not materialised
Other income	2,317,290	34,449,320	32,132,030	93%	Utilisation of surplus funds carried over from previous financial year
Sub total revenue	197,927,955	238,534,850	43,041,559	17%	
Less revenue foregone	(7,389,620)	(7,158,000)	231,620	-3%	Rebates for property rates
Total revenue	190,538,335	231,376,850	43,273,179	18%	
EXPENDITURE					
Employee related costs	92,583,984	94,585,440	2,001,456	2%	Vacancies not filled
Remuneration councillors	6,528,603	6,694,060	165,457	2%	Sitting allowances not paid
Bad debts written-off	2,744,686	3,119,000	374,314	12%	Bad debt provision adjusted
Collection costs	11,413	66,200	54,787	83%	Review of hand-over process
Depreciation and impairment	11,361,976	7,456,000	(3,905,976)	-52%	Assets with values less than R2000 depreciated
Repairs & maintenance	2,949,181	5,445,670	2,496,489	46%	Leased vehicles with full maintenance plan
Interest on external borrowings	1,425,288	1,538,490	113,202	7%	Less interest paid to DBSA
Contracted services	6,000	200,000	194,000	97%	Expenditure did not occur
Grants & subsidies paid	12,123,472	24,134,190	12,010,718	50%	Projects not completed
General expenses- other	52,417,872	86,680,940	34,211,591	40%	Programmes/professional fees did not occur
Total expenditure	182,152,475	229,919,990	47,721,193		
Net Surplus	8,385,860	1,456,860	(4,448,014)		

WEST RAND DISTRICT MUNICIPALITY
Group Annual Financial Statements for the year ended 30 June 2010
APPENDIX E(2)
Actual versus Budget (Acquisition of Property, Plant & Equipment)

Group	Actual R	Budget R	Variance R	Variance %	Explanation of significant Variances
Land and buildings					
Land and buildings	140,426	15,093,560	14,953,134	99%	Expenditure in DMA rollover
Infrastructure					
Roads	5,746,302	6,296,500	550,198	9%	Expenditure in DMA rollover
Water mains & purification	100,245	3,876,900	3,776,655	97%	Expenditure in DMA rollover
Security measures	-	2,072,000	2,072,000	100%	Expenditure in DMA rollover
Heritage Assets					
Paintings & art galleries	9,557	6,000	(3,557)	-59%	Purchases exceeded budget amount
Other Assets					
Computer equipment	960,224	1,458,000	497,776	34%	Saving on expenditure
Emergency equipment	587,331	727,100	139,769	19%	Saving on expenditure
Furniture & fittings	177,904	968,700	790,796	82%	Saving on expenditure
Office equipment	-	4,000	4,000	100%	Saving on expenditure
Plant & equipment	2,278,574	3,804,600	1,526,026	40%	Saving on expenditure
Leased assets	4,409,844	4,397,000	(12,844)	100%	Lease contracts
Total	14,410,407	38,704,360	24,293,953		

WRDM	Actual R	Budget R	Variance R	Variance %	Explanation of significant Variances
Land and buildings					
Land and buildings	140,426	13,353,560	13,213,134	99%	Expenditure in DMA rollover
Infrastructure					
Roads	5,746,302	6,296,500	550,198	9%	Expenditure in DMA rollover
Water mains & purification	100,245	3,876,900	3,776,655	97%	Expenditure in DMA rollover
Security measures	-	2,072,000	2,072,000	100%	Expenditure in DMA rollover
Heritage assets					
Paintings & art galleries	9,557	6,000	(3,557)	-59%	Purchases exceeded budget amount
Other assets					
Computer equipment	934,529	1,426,000	491,471	34%	Saving on expenditure
Emergency equipment	587,331	727,100	139,769	19%	Saving on expenditure
Furniture & fittings	177,904	968,700	790,796	82%	Saving on expenditure
Office equipment	-	4,000	4,000	100%	Saving on expenditure
Plant & equipment	234,082	719,600	485,518	67%	Saving on expenditure
Lease assets	4,396,909	4,397,000	91	100%	Lease contracts
Total	12,327,285	33,847,360	21,520,075		

West Rand District Municipality

APPENDIX F

DISCLOSURES OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

Group Name of Grants	Name of organ of state or municipal entity	Quarterly Receipts				Quarterly Expenditure			
		March	June	Sept	Dec	March	June	Sept	Dec
EMS subsidy	Gauteng Health	-	-	13,890,000	-	6,945,000	7,164,753	5,815,197	7,185,233
RSC replacement grant	National Government	-	-	54,692,100	40,306,546	35,646,278	24,640,731	24,640,731	24,640,731
HIV/AIDS grant	Gauteng Province	-	2,000,000	-	-	-	844,238	844,238	844,238
MIG	National Government	-	-	-	-	6,517,000	-	-	-
Department of Economical Development	Provincial Government	-	-	6,425,000	-	-	-	-	-
Total		-	2,000,000	75,007,100	40,306,546	49,108,278	32,649,722	31,300,166	32,670,202

WRM Name of Grants	Name of organ of state or municipal entity	Quarterly Receipts				Quarterly Expenditure			
		March	June	Sept	Dec	March	June	Sept	Dec
EMS subsidy	Gauteng Health	-	-	13,890,000	-	6,945,000	7,164,753	5,815,197	7,185,233
RSC replacement grant	National Government	-	-	54,692,100	40,306,546	35,646,278	24,640,731	24,640,731	24,640,731
HIV/AIDS grant	Gauteng Province	-	2,000,000	-	-	-	844,238	844,238	844,238
MIG	National Government	-	-	-	-	6,517,000	-	-	-
Total		-	2,000,000	68,582,100	40,306,546	49,108,278	32,649,722	31,300,166	31,621,664

AMBULANCE SERVICE
ANALYSIS OF OPERATING INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2010

Actual 2009 R		Actual 2010 R	Budget 2010 R
	INCOME		
26,777,250	Government grants & subsidies	28,417,500	27,780,000
1,875,323	Levies	1,765,498	1,640,000
177,582	Other income	10,602	1,002,450
<u>28,830,155</u>	Total income	<u>30,193,600</u>	<u>30,422,450</u>
	EXPENDITURE		
17,475,385	Salaries and wages	19,935,717	21,261,210
5,201,909	General expenses	4,938,960	7,501,310
1,799,669	Bad debt provision	1,691,442	1,479,000
65,965	Repairs and maintenance	5,176	246,760
58,517	Depreciation	15,078	10,040
<u>24,601,445</u>	Total expenditure	<u>26,586,373</u>	<u>30,498,320</u>
<u>4,228,710</u>	Operating (deficit)/surplus for the year	<u>(3,607,227)</u>	<u>(75,870)</u>

AMBULANCE SERVICE
INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2010

2009 Actual R		2010 Actual R	2010 Budget R
	SURPLUS/(DEFICIT) FROM ORDINARY ACTIVITIES		
4,228,710	Administration	(3,607,227)	(75,870)
<u>4,228,710</u>	Net (deficit)/surplus for the year	<u>(3,607,227)</u>	<u>(75,870)</u>
<u>4,228,710</u>	Net (deficit)/surplus for the year before appropriations	<u>(3,607,227)</u>	<u>(75,870)</u>
471,370	Unappropriated surplus at the beginnng of the year	4,700,080	-
	Transfer to provisions		
<u>4,700,080</u>	Unappropriated surplus at the end of the year	<u>1,092,853</u>	<u>(75,870)</u>

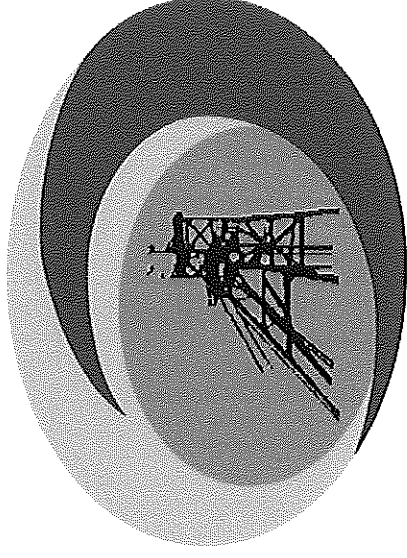
CONSOLIDATED METROPOLITAN TRANSPORT FUND
ANALYSIS OF OPERATING INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2010

2009 Actual R		2010 Actual R	2010 Budget R
	INCOME		
107,781	Government grants & subsidies	53,360	-
<u>107,781</u>	Total income	<u>53,360</u>	<u>-</u>
	EXPENDITURE		
705,181	Projects	7,200	7,200
<u>705,181</u>	Total expenditure	<u>7,200</u>	<u>7,200</u>
<u>(597,400)</u>	Operating surplus for the year	<u>46,160</u>	<u>(7,200)</u>

CONSOLIDATED METROPOLITAN TRANSPORT FUND
INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2010

2009 Actual R		2010 Actual R	2010 Budget R
	SURPLUS FROM ORDINARY ACTIVITIES		
(597,400)	Administration	46,160	-
<u>(597,400)</u>	Net surplus for the year	<u>46,160</u>	<u>-</u>
	Extraordinary items		
<u>(597,400)</u>	Net surplus before appropriations	<u>46,160</u>	<u>-</u>
1,355,207	Unappropriated surplus at the beginnng of the year	757,807	-
<u>757,807</u>	Unappropriated surplus at the end of the year	<u>803,967</u>	<u>-</u>

West Rand District Municipality



Annual Performance Plan 2010/011 Report

Annual Performance 2010/2011

TABLE OF CONTENT	PAGE NO
Executive Mayor	1-3
Speaker	4
IDP and PMS Unit	5-6
Internal Audit	7
Supply Chain Management	8-9
Information and Communication Technology	10-12
Finance	13-15
Corporate Services	16-19
Local Economic Development	20-21
Infrastructure and Project Management	22
Transport and Land Used Management and Environmental	23-27
Health and Social Development	28-32
Public Safety	33-40

**OFFICE OF THE
EXECUTIVE MAYOR**

Directorate SDBIP : Executive Mayor's Office
KPA: Good Governance and Public Participation
Operating Budget: R9 720,240
Capital Budget: 0

Project/ Sub activities	Unit of Measure	POE	Baseline	Annual Target	Annual Act/Perf	Q1		Q2		Q3		Q4		Annual Explanation of variance	Performance Improvement Plan
						Act	Perf	Act	Perf	Act	Perf	Act	Perf		
	No. of 2010 FIFA Soccer World Cup Public Viewing Sites	Appointment letter of service provider and close up report	1	1	1	-	-	-	-	-	-	1	-		
	No. of Moral Regeneration Mass Rallies	Expenditure report and copy of speech of Executive Mayor	1	1	1	-	-	-	-	0	-	1	-		
	No. of Mampudi Ba Tsela Race	Expenditure report and record of participants	1	1	1	-	-	1	-	-	-	-	-		
	No. of Senior Citizens Programmes(Fun Day)	Expenditure report and copy of attendance register	new target	1	1	-	-	1	-	-	-	-	-		
	No. of Mayor's Golf Days	Register of participants and close-up report	new target	1	0	0	-	-	-	-	-	0	-	Parked. Pooled over budget and reconceptualized.	Improvement in Management will be attempted
	No. of Pilsano Jazz Festivals	Expenditure report, Approval for the proposed event & attendance register	1	1	1	-	-	-	-	1	-	-	-		
Special Programmes/Projects Total Capital Budget:	No. of People Living with Disabilities Fun Day	Record of participants and expenditure report	1	1	1	-	-	-	-	-	-	1	-		
	No. of Mayoral Imbizos	Attendance register, Expenditure report & approval for the proposed event.	1	1	1	-	-	-	-	1	-	-	-		
	No. of Development of Museum, Statue & other initiatives for the Late Ace Parlick Nisoelengae	Resolutions of committee and proof of execution	new target	2	1	1	-	-	-	-	-	0	-	Co-funding to implement the project not available - rolled over budget.	Improvement in Management will be attempted
	No. of West Rand Heritage Jazz Festivals	Appointment letter of service provider and close up report	new target	1	0	0	-	-	-	-	-	-	-	Project shelved due to quotations far exceeding budget.	Improvement in Management will be attempted

1

Project/ Sub activities	Unit of Measure	POE	Baseline	Annual Target	Q1		Q2		Q3		Q4		Annual Explanation of variance	Performance improvement Plan	
					Ending	Act	Ending	Act	Ending	Act	Ending	Act			
Youth Programmes: Total Capital Budget:	No. of Career Expos	Attendance register and expenditure report	1	1	0	1	0	1	-	-	-	-			
	No. of Youth Summits	Attendance register and expenditure report	1	1		1		-	-	-	1				
	No. of Youth visits to Basasa Youth Centre	Attendance register and expenditure report	1	6	1	6	1	2	2	2	1				
	No. of WR Youth Arts & Culture Festivals	Expenditure report and register of participants	new target	1	0	1	0	1	-	-	-				
	No. of DMA Soccer Tournaments	Expenditure report, attendance report & approval for the proposed event	1	1		1		-	1	-	-				
Youth Programmes: Total Capital Budget:	No. of Substance Awareness Workshops	Attendance register, expenditure report, programme	1	1	0	1	0	1	-	-	-				
	No. of West Rand Stars of the Night Functions	Attendance register, expenditure report, programme and minutes	1	1	0	0		-	-	-	0		Canceled due to change of administration	Improvement in Management will be attempted	
	No. of Young Men's Dialogue Meetings	Attendance register, expenditure report, programme and minutes	1	1	0	0		-	-	-	0		Canceled due to change of administration	Improvement in Management will be attempted	
	No. of Youth Games	Attendance register and expenditure report	1	1	2	0		1	-	-	1		Positive response to Q2 event and available budget sampled hosting 2nd even	N/A	

Project/ Sub activities	Unit of Measure	POE	Baseline	Annual Target	Q1		Q2		Q3		Q4		Annual Explanation of variance	Performance Improvement Plan
					Ending Act	Ending Act	Ending Act	Ending Act	Ending Act	Ending Act	Ending Act	Ending Act		
Youth Programmes: Total Capital Budget:	No. of Executive Mayor's Trust Fund Functions	Expenditure report, programme and attendance register	1	1	0	-	-	0	0	0	0	0	SCM in process of advertising the event. Budget failed over.	Improvement in Management will be attempted
	No. of Youth Democracy Development Workshops	Expenditure report, programme and attendance register	1	1	1	-	-	-	-	-	1	-	-	-
	No. of Talent Identification Shows	Expenditure report, programme and attendance register	new target	1	0	-	-	-	0	0	-	-	-	-
	No. of Bursaries Award Functions	Expenditure report, programme and attendance register	new target	1	0	-	-	0	0	0	-	-	Delay in appointment of service provider. Budget failed over to 2010/11	Improvement in Management will be attempted
	No. of Youth Capacity Building Functions	Expenditure report, programme and attendance register	1	1	0	-	-	-	-	-	0	0	Cancelled due to change of administration	Improvement in Management will be attempted
	No. of West Rand Youth Awards Functions	Expenditure report, programme and attendance register	1	1	0	-	-	-	-	-	0	0	Cancelled due to change of administration	Improvement in Management will be attempted
Communication Programmes: Total Capital Budget:	No. of Magazine Publications	Expenditure report & Copy of article	1	4	4	0	2	1	1	1	1	-	-	-
	No. of Branding exercises	copy of delivery note and appointment of service provider.	1	4	2	0	1	0	1	1	1	-	Cancelled because service provider couldn't deliver	Improvement in Management will be attempted
	No. of Electronic & print Media Public exercises	Expenditure report & Copy of article	1	4	4	0	2	1	1	1	1	-	-	-
	No. of WRDM Newsletters	Copy of newsletter & Expenditure report	1	4	2	1	0	1	1	0	0	-	Decision to change service provider delayed process	Improvement in Management will be attempted
	No. Mayoral Visits to Schools	Copy of speech of Executive Mayor	1	1	0	-	-	0	0	0	0	-	R 0 000.00 reallocated to youth programmes: Executive Mayor's Trust Fund Function	Improvement in Management will be attempted

SPEAKERS OFFICE

Directorate SDBIP : Office of the Speaker
KPA: Good Governance and Public Participation
Operating Budget R4, 012 680.00
Capital Budget R32,500.00

Project/ Sub activities	Unit of Measure	POE	Baseline	Annual Target	Annual Act Perf	Q1 Act	Q2 Act	Q3 Act	Q4 Act	Annual Explanation of variance	Performance Improvement Plan
IDP and Budget public participation	No of Workshops and public meetings	Attendance register and expenditure report.	1	1	0					Planning was not done in time advance.	Planning will be done a month in advance.
Public participation workshop and skills training (R20 000.00)	No of Life Skills workshops	Attendance register and expenditure report.	1	2	0					The activity was planned for DMA	Workshop scheduled for November 2010
Gender Programme (R50 000.00)	No. of gender programmes	Attendance register and expenditure report	1	3	3	1	2				
Speaker's Forum (R10 000.00)	No. of Forum of co ordinating the work of speakers within the duriston of the WRDM	Attendance register, minutes and expenditure report.	10	4	3	1	1	1		Postponed to the 1st July 2010.	Improvement in Planning and Management will be attempted.
Regional Managers Speaker's Forum (R10 000.00)	No. of forum co ordinated in the offices of the speakers within the WRDM area of jurisdiction.	Attendance register and minutes.	new target	4	1		1			Regional speaker's forums were cancelled, therefore, the forum could not take place	The meeting will be held on 10 November 2010
Petition Committee workshop & Training (R15 000.00)	No. of workshop & training conducted	Attendance register and expenditure report.	new target	1	0					Finalisation of the petition process is still awaited from the province petition department	Planning will be done a month in advance.
Reginal Councillors Forum (R30 000.00)	No. of Councillors forum	Attendance register, minutes and expenditure report.	new target	1	0						
Batho Pele Programmes (R205 000.00)	No. of Batho pele Programmes	Attendance register and expenditure report.	new target	3	3		2		1		
DMA & Rural workshop	No. of Workshops conducted	Attendance register, agenda and expenditure report.	new target	2	0					Due to service delivery protests, the workshop could not be held	Workshop will be held in the 3rd quarter
Training & Capacity building for ward Committee & CDW's (R160 000.00)	No. of training programmes conducted	Attendance register, minutes and expenditure report.	new target	2	2		1	1			

IDP AND PMS UNIT

Directorate SDBIP : IDP & PMS
KPA: Good Governance and Public Participation
Operating Budget R 320 000
Capital Budget

Project/ Sub activities	Unit of Measure	POE	Baseline	Annual Target	Annual Act Perf	Q1		Q2		Q3		Q4		Annual Explanation of Variance	Performance Improvement Plan
						Act		Act		Act		Act			
IDP Review	No. of 2010/11 district wide IDP Review Framework completed	A copy of the IDP Review Framework Document	1	1	1	1									
	No. of draft 2010/11 IDP Review document approved by council	A copy of the draft 2010/2011 IDP Document and Council Resolution.	1	1	1							1			
	No. of 2010/11 IDP review documents submitted to the Department of Local Government	A copy of the 2010/2011 Draft IDP Document, a copy of the letter of submission and Acknowledgement of receipt.	1	1	1					1					
	No. of 2010/11 draft IDP's advertised for 21 Days for Public Comments	Newspaper adverts.	1	1	1					1					
IDP Alignment	No. of 2010/11 final IDP adopted by council	A copy of the final 2010/2011 IDP Document and Council Resolution.	1	1	1							1			
	No. of 2010/11 final IDP submitted to the Department of Local Government	Final IDP Document, a copy of the letter of submission Acknowledgement of receipt.	1	1	1							1			
	No. of IDP Technical input sessions	Signed notice of the meeting, Attendance Register and minutes of the meeting.	6	4	4		1	1	1	1	1	1			
	No. of IDP District-Wide alignment workshops	Signed notice of the meeting, Attendance Register and minutes of the meeting.	3	6	6		1	1	1	2	2	2			
	No. of Public Participation workshops	Signed notice of the meeting, Newspaper Adverts and Attendance Registers	4	4	4		1	1	1	1	1	1			

Project/ Sub activities	Unit of Measure	Portfolio of Evidence	Baseline	Annual Target			Q1	Q2	Q3	Q4	Annual Explanation of Variance	Performance Improvement Plan
							Act	Act	Act	Act		
SD8IP	No. of 2009/10 quarterly review workshops	Signed notice of the Meeting, Attendance Register and Minutes of the meeting.	4	4	4	1	1	1	1	1		
	No. of 2010/11 SD8IP Report signed by the Executive Mayor	A copy of the 2010/2011 SD8IP, a copy of the letter of Approval signed by the Mayor.	1	1	1	1				1		
	No. of 2010/11 SD8IP Report submitted to the Department of Local Government	Letter of submission signed by the MM, SD8IP Report and Acknowledgement of Receipt.	1	1	1	1				1		
Performance Management	No. of 2009/10 S57 employee's performance agreements signed	3 copies of Performance Agreements for (MM, CFO & COO) signed	3	3	3	3						
	No. of Performance Evaluation report for the Section 57 Employees to the Evaluation Committee	Evaluation Report	12	12	0						The Performance Evaluation was put on hold pending the PMS workshop or training for the Performance Evaluation Committee members.	The process has been started to fast track the finalisation of the report.
Annual Report	No. of 2008/09 1st Draft Annual Report Submitted to Management	First Draft Annual Report, Signed notice of the meeting and Agenda	1	1	1	1						
	No. of 2008/09 2nd Draft of the Annual Report submitted to Management	First Draft Annual Report, Signed notice of the meeting, Agenda and minutes of the meeting.	1	1	1			1				
	No. of 2008/09 final Annual Report completed	Final Annual Report	1	1	1	1			1			

INTERNAL AUDIT

KPA: Good Governance & Public Participation													
Operating Budget :		R 3 042 528.00											
Capital Budget :		R 29 000.00											
Project/ Sub activities	Unit of Measure	Portfolio of Evidence	Baseline	Annual Target	Annual Act Perf	Q1 Act	Q2 Act	Q3 Act	Q4 Act	Annual Explanation of Variance	Performance Improvement Plan		
Human Resources	No of Internal Audit Reports	IA report	1	1	1	1							
Occupational Health & Safety	No of Internal Audit Reports	IA report	1	1	1		1						
Municipal Security Services	No of Internal Audit Reports	IA report	1	1	1	1							
Disaster Management	No of Internal Audit Reports	IA report	1	1	1			1					
Patient Response Time	No of Internal Audit Reports	IA report	1	1	1				1				
Contract Management	No of Internal Audit Reports	IA report	1	1	1			1					
Expenditure Management	No of Internal Audit Reports	IA report	1	1	1				1				
MFMA Compliance	No of Internal Audit Reports	IA report	1	1	1			1					
Stand by & Overtime	Monthly claims	Monthly claims: Jan, FEB MAR	12	12	12	3	3	3	3				
Performance Evaluations-SDBIP	No of Internal Audit Reports	IA report	4	4	4	1	1	1	1				
Performance Evaluations-Sec 57	No of Internal Audit Reports	IA reports: MM, COO, CFO	12	12	10	2	4	3	1	Two Sec 57 resigned towards the end of the year.	N/A		
Annual Financial Statements	No of Internal Audit Reports	IA report	1	1	1	1							
Risk Management Review	No of Internal Audit Reports	IA report	1	1	1			1					
Leave Audit-Follow up	No of Internal Audit Reports	IA report	1	1	1		1						
Audit Committee meetings	No of Minutes	1. Signed agenda. 2. Attendance register. 3. Minutes	4	4	4	1	1	1	1				

SUPPLY CHAIN MANAGEMENT

Directorate SDBIP : Supply Chain Management Unit												
KPA: Municipal Financial Viability and Management												
Operating Budget												
Capital Budget												
Project/ Sub activities	Unit of Measure	POE	Baseline	Annual Target	Annual Act Perf	Q1 Act	Q2 Ending Act	Q3 Ending Act	Q4 Act	Annual Explanation of Variance	Performance Improvement Plan	
Tenders Awarded	% of BEE companies awarded tenders	(a) Report on BEE companies awarded contracts - indicating a proportion of tenders awarded to BEE (b) Letters of Appointment (c) Adjudication reports	60%	70%	95%				95%	More tenders awarded to HDIs/BEEs than originally anticipated.	N/A	
Request for Quotations (RFQ) awarded	% of BEE companies awarded RFQs	(a) Report on BEE companies awarded RFQs - indicating a proportion of RFQs awarded to BEE companies	50%	50%	51%				51%	More RFQ contracts awarded to HDIs/BEEs than originally anticipated	N/A	
Stores Administration	No. of stock-takings conducted in the WRDM stores	(a) Stock Taking Report	2	2	2		1		1			
Asset Management	No. of audits conducted on WRDM assets	(a) Audit Report reflecting the status of verified / audited assets	2	2	2		1		1			
Asset Disposal	% of auctions held for asset disposals	(a) Council Resolution for disposal of assets (b) Advert for Auction (c) Report on assets auctioned	100%	100%	0%				0%	List of assets submitted to council structures for approval. Still awaiting a Council resolution to dispose of redundant assets.	Awaiting council resolution, which will be finalised in November 2010.	

Database Management	No of Adverts for Registration on the WRDM Database	(a) Advert for supplier registration on WRDM database (b) Database/ Register of suppliers	New target	2	0												Adverts not done due to non-finalization of the commodity list. The SCM Unit has decided to place adverts for database registration in the current quarter using the old commodity list & limiting service providers to four commodities.	The adverts were done in September 2010.
Reporting	No. of Monthly Reports	(a) Monthly reports	12	12	12	3	3	3	3	3								
	No. of Quarterly Reports	(a) Quarterly report	4	4	4	1	1	1	1	1								
	No. of Annual Reports	(a) Annual Report	1	1	1	-	-	-	-	-								
Procurement of Goods / Services	% of Tenders processed within 45 days	(a) Register indicating requests for tenders (b) Tender adverts (c) Copy of register reflecting closing dates of tenders	100%	100%	33%	0%	0%	0%	33%	33%							Delays in Bid Committees reports. Delays in receiving technical reports from end-user departments after closing of tender	Determine time frames for submission of technical reports from end-users. Determine time frames for submission of reports from bid committees. Address issues of admin delays
	% of Requisitions processed within 3 days	(a) Register recording dates of requests & quotations received by the closing date	100%	100%	38%	0%	0%	0%	50%	38%							Incomplete/wrong specifications from end-users. This causes delays in obtaining quotations from suppliers. No budget to identify/determine SCM process to be followed. Poor planning from end-users	Address issues of admin delays. Address issues of incomplete specifications. Determine time frames for submission of technical reports (needed for finalising evaluation reports for RFQs)
	% of RFQs processed within 14 days	(a) End user memo requesting quotations. (b) Register of RFQs showing closing dates of adverts. (c) RFQ Evaluation reports.	100%	100%	36%	0%	0%	0%	0%	36%							Incomplete specifications from end-users. No budget to identify/determine SCM process to be followed. Delays in technical report from end-user after closing of RFQ adverts	Address issues of admin delays. Address issues of incomplete specifications. Poor planning must be addressed and we must ensure that there is no delays in authorising procurement requisitions/requests.
Fleet & Insurance Management	No. of quarterly Fleet Management Reports	(a) Quarterly FM report	4	4	4	1	1	1	1	1								
	% of Insurance Claims Processed	(a) Accident reports. (b) Insurance claims applications. (c) Proof of submission to Alex Forbes.	100%	100%	64%	100%	100%	100%	100%	64%							Delays in submitting claims and non communications of end-users. Incomplete accident reports and documentation delays in obtaining quotations	End-users to be educated in processes. Pool vehicles for ambulances to speed up quotes and repairs. Accident reports to be submitted fully completed and lineously.

INFORMATION AND COMMUNICATION TECHNOLOGY

Directorate SDBIP:Information and Technology Communication
KPA: Municipal Transformation and Organisational Development
Operating Budget:
Capital Budget

Project/Sub Activity/Init of Measure	POE	Baseline	Annual Target	Annual Act Perf	Q1 Q2 Q3 Q4				Annual Explanation of Variance	Performance Improvement Plan
					Act	Act	Act	Act		
Provide Updated and Aligned MSP	No. of updated and aligned MSP	1	1	0					The MSP for the District could not be completed prior to the Strategic plans and sessions by all the Municipalities within the district. The Uni City design and implementation is driven by the Transformation Committee. The Committee has been created specifically to manage the process towards establishing a Uni-City. Creating a combined MSP now would be premature.	An MSP for the District will be established through a management process established by the Transformation Committee.
Incorporate Meratong City data systems	% Integration of Meratong City into WROM systems	Stand-alone functionality	100%	0%					The Public Safety System is integrated and functional. Capturing of the data for Accident and Ambulance reports are happening remotely. The Financial System is not accessible from the WROM yet. This is because of the required extension of the Wireless network into Meratong LM.	Establishment of a site for the hosting of the Wireless equipment for the network has been agreed upon with the SAPS. The creation of this link will provide the required connectivity to hook up all systems. Portfolio of Evidence need to be clarified and adopted.
ICT Support Local to Municipalities	% ICT support provided to local municipalities	100%	100%	100%	100%			100%		
Legal Compliance	% legal compliance documents prepared and submitted	100%	100%	0%						

Produce and maintain ERP	% of recovery procedures tested	1. Signed report on recovery procedures (twice per annum); 2. Monthly internal reports	100%	100%	100%	100	75%	100%	100%	Routine work, happening on a daily basis and managed by the Directorate ICT. The system automatically logs all deviations and the reports are inspected and acted upon. Letters From Messrs EdgeTech included. Monthly reports included.	Portfolio of Evidence need to be clarified and adapted.
Maintain district wireless network	No. of connections	1. expenditure report for monthly lease; 2. Monthly network status reports	51	51	0					Magaliesburg and Hekpoort Libraries were implemented, as well as the Magaliesburg Water Tower. See website: http://www.flickr.com/photos/wrdmnetwork/sets	Portfolio of Evidence need to be clarified and adapted.
Extend network to Provincial Government spheres	No. of portals and systems made available to government spheres	1. Monthly expenditure reports to the relevant departments	2	4	2			1		Three departments are making use of the current network: The department of Arts, Crafts and Culture, - Disaster Management and - Health. The department of Lower Education (Wes Rand) showed interest in such a network. One pilot site were setup where the network provides a school with free Internet access.	Further discussions with the department of Lower Education to take place.
Implement Uniform messaging system	No. of electronic attendant and voice mail services implemented	1. Expenditure report for purchase.	New target	30	0					System acquired, license issues experienced with Holland. Software License issues resolved and training scheduled	System will be implemented in the first quarter of the 2010/2011 year. Already functional within Directorate ICT. Portfolio of Evidence need to be clarified and adapted.
Maintain email platform	% of email maintenance	Report on email maintenance	100%	100%	75%	100%	100%		100%	Routine work, happening on request from the personnel. The requests are documented, assigned and actions performed. Jobs are signed off by the technician and Help desk.	Portfolio of Evidence need to be clarified and adapted.
Implement and maintain website	% of website maintenance	Received requests and jobcard completion reports	100%	100%	25%				100%	Routine work, happening on request from the Directorates. The requests are documented, assigned and actions performed. Jobs are signed off by the technician and Help desk.	Portfolio of Evidence need to be clarified and adapted.

Act/Sub Activity of Measure	POE	Baseline	Annual Target	Q1				Q2				Q3				Q4			
				Act	Act	Act	Act	Act	Act	Act	Act	Act	Act	Act	Act	Act	Act	Act	Act
Ensure secure ICT environment	No. of security reports on systems	5	25	10				5											Portfolio of Evidence need to be clarified and adapted.
Establish reduced telecommunication costs (local and regional)	Reduced telephone bill, nr of telephone calls diverted to RCC	budgeted expenditure	5	1															Another 32 VOIP phones are required within the WRDM. Portfolio of Evidence need to be clarified and adapted.
Integrate GIS info regional integrated systems	No. of reports on integration project report	New target	4	0															Action to be repeated for the other Local Municipalities within the District. Portfolio of Evidence need to be clarified and adapted.
Implement an integrated document management system	No. of electronic document management system	Completion according to Project plan.	1	0															Implementation and training scheduled in new financial period.
Implement Automated Primary Health Care system	No. of clinics with automated systems	3	1	1															
Develop a WRDM IDP and PMS automated system	No. of automated systems	New target	1	0															Implementation and training scheduled in new financial period.

FINANCE

Directorate SDBIP : Budget and Treasury Office
 KPA: Municipal Financial Viability and Management
 Operating Budget R 3 754 230
 Capital Budget

Project/ Sub activities	Unit of Measure	POE	Baseline	Annual Target	Annual Act Perf	Q1		Q2 Ending		Q3 Ending		Q4 Ending		Annual Explanation of Variance	Performance Improvement Plan
						Act	Perf	Act	Perf	Act	Perf	Act	Perf		
FINANCIAL MANAGEMENT	No. of draft annual budget submitted to Council	1. Council Resolution	1	1	2					1		1			
	No. of final annual budget submitted to Council	1. Municipal Budget. 2. Council Resolution	1	1	1							1			
	No. of adverts made for public meetings	Copy advert in the newspaper	1	1	0										
	No. of public meetings on the Budget	1. Notice of meeting. 2. Attendance register	3	2	1	1							Meetings are less as they are informed by IDF Reo Forums.		
	No. of financial mid-term report compiled and submitted to Executive Mayor by 25 January	1. Copy MTEF. 2. Proof of submission to Exec Mayor.	1	1	1					1					
	No. of adjustment budget compiled and submitted to Council by 28 February	1 Adjustment Budget. 2. Council Resolution.	1	1	2					1		1			
	No. of monthly financial reports submitted to Council and Stakeholders	1. Monthly Financial reports. 2. Council resolutions. 3. Proof of submissions to stakeholders and acknowledgements	12	12	11	3				3		2		June report to be tabled in July and submitted to stakeholders around 10th.	

Directorate SDBIP : Budget and Treasury Office												
KPA: Municipal Financial Viability and Management												
Operating Budget												
Capital Budget												
Project/ Sub activities	Unit of Measure	POE	Baseline	Annual Target	Annual Act Perf	Q1 Act	Q2 Act	Q3 Act	Q4 Act	Annual Explanation of Variance	Performance Improvement Plan	
Expenditure management	No. of salaries payments and allowances done by the 25th of each month	monthly payroll printouts; Oct, Nov, Dec	12	12	12	3	3	3	3			
	No. of bank reconciliation done by the 10th of each month	Copy Bank recons signed on or before the 10th	12	12	12	3	3	3	3			
	No. of payment of creditors done within 30 days	Monthly financial reports: Jan, Feb, Mar	12	12	12	3	3	3	3			
	No. of annual financial statements compiled	AFS 2008/09	1	1	1	1						

Directorate SDBIP : Budget and Treasury Office											
KPA: Municipal Financial Viability and Management											
Operating Budget											
Capital Budget											
R 1 077 360											
Project/ Sub activities	Unit of Measure	POE	Baseline	Annual Target	Annual Act Perf	Q1 Act	Q2 Act	Q3 Act	Q4 Ending Act	Annual Explanation of Variance	Performance Improvement Plan
Revenue Management	% reduction of debt older than 120 days	Quarterly financial report	20%	20%	55%		9,1%	18%	55%	An amount of R22.2 mil was written-off.	More accurate information must be obtained by EWS personnel.
	Amount of rand value collected/revy of budgeted revenue	Quarterly financial report	R209.5m	R217m	R 209	R7.6m	R57.3m	R55m	R20.4m	Payment for April - June 2010 (quarter 4) received in quarter 1 2010/11 from Province (R 7 582 500.00)	Follow-up with Province is done on a regular basis

CORPORATE SERVICES

Department SD&IP Corporate Services
KPA: Good Governance & Public Participation
Admin and Legal Support

Sub Activities	Unit of Measure	Portfolio of Evidence (POE)	Baseline	Annual Target	Annual Act Perf	Q1 Q2 Q3 Q4				Explanation of variance	Performance Improvement Plan
						Act	Act	Act	Act		
Submission of Section 80 Committee agendas.	% of Section 80 Committee agendas submitted not later than 3 working days before the meeting, to Supply Chain Management for delivery.	Proof of submission to SCM and receipt by them.	100%	100%	100%	94%	100%	100%	100%	The 94% indicated in the first quarter can be blamed on the fact that no control register was in place at that stage otherwise it would also have measured 100%	Control register already in place
Submission of agendas of ordinary WRDM meetings.	% of agendas of ordinary WRDM meetings submitted not later than 3 working days before the meeting, to Supply Chain Management, for delivery.	Proof of submission to SCM and receipt by them.	100%	100%	77%	7%	100%	100%	100%	The 7% indicated in the first quarter can be blamed on the fact that no control register was in place at that stage otherwise it would also have measured 100%	Control register already in place
Report to the Municipal Manager and Portfolio Councillors, on the execution of 100% of the WRDM resolutions.	% of reports submitted to the Municipal Manager and Portfolio Councillors, within 14 working days after an ordinary WRDM meeting on the execution of 100% of the WRDM resolutions.	Copy of reports and proof of receipt by MM and Clls	100%	100%	100%	100%	100%	100%	100%		
Submission of the minutes of WRDM meetings, to ICT	% of the minutes of WRDM meetings submitted within 14 working days after the meeting to ICT for display on the intranet.	Proof of submission to ICT and proof of receipt by ICT.	100%	100%	100%	100%	100%	100%	100%		
Report to Executive Mayor on all WRDM resolutions for which no proof of execution were received.	% of reports submitted to Executive Mayor, on all WRDM resolutions for which no proof of execution were received. (2nd Quarter)	Copy of report and proof of receipt	100%	1 report	1		1				
Report to Municipal Manager on outstanding declarations of interest.	% of reports submitted to Municipal Manager on outstanding declarations of interest. (3rd Quarter)		100%	1 report	1			1			
Report to the WRDM, on the attendance of WRDM councillors at meetings of the WRDM, Mayoral Committee and other committees council, (1st quarter)	% of reports submitted to the WRDM on the attendance of WRDM councillors at meetings of the WRDM, Mayoral Committee and other committees council. (1st quarter)	Copy of item on WRDM agenda.	100%	1 report	1	1					

SDBIP Corporate Services
KPA: Good Governance
Council Properties

Sub Activities	Unit of Measure	Portfolio of Evidence (POE)	Baseline	Annual Target	Annual Act Perf	4th				Explanation of variance	Performance Improvement Plan
						1st	2nd	3rd	4th		
						Act	Act	Act	Act		
Report to Municipal Manager on maintenance work at Council Centre	No. of reports submitted within 14 days after end of Quarter.	Maintenance report. Proof of submission to MM.	New target	4 reports	4	1	1	1	1		
Control over rental contracts of shops in Council Centre.	% of contracts renewed before expiry date	Names of contracts with expiry dates. New contract agreements.	100%	100%	75%	0%	0%	0%	0%	Target incorrectly projected on a quarterly basis as most of the agreements are entered into for 1-3 year periods and no agreements expired during the first three quarters of this financial year	Measurement tool be modified
Report to Municipal Manager on maintenance work at Stand 440, Greenhills.	No. of reports submitted within 14 days after end of Quarter.	Maintenance report on stand 440 Greenhills. Proof of submission to MM.	New target	4 reports	4	1	1	1	1		

Department SD8IP : Corporate Services : Legal and Administration Services
KPA: Good Governance & Public Participation
Programme: Legal Services and Administration Services

Sub Activities	Unit of Measure	Portfolio of Evidence (POE)	Baseline	Annual Target	Annual Act Perf	Q1		Q2		Q3		Q4		Annual Explanation of Variance	Performance Improvement Plan
						Act	Act	Act	Act	Act	Act	Act	Act		
Approval of By Laws.	% of By Laws approved by the WRDM per financial year.	Copy of By Laws and Council resolution	100%	100%	25%	0%	100%	100%	0%	0%	0%	0%	0%	Target incorrectly projected as By-Laws are only drafted on request	Measurement tool be modified to indicate that By-Laws are only drafted on request
Perusal and distribution of legislation.	% of Government and Provincial Gazettes perused and distributed within 14 days after receipt.	Proof of receipt by the legal section and proof of distribution to Cllr/Officials indicating the date of distribution and receipt.	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%		
Sets of replacement pages for Statutes.	% of sets of replacement pages for Statutes replaced within 30 days of receipt.	Proof of replacements.	100%	100%	75%	0%	100%	100%	100%	100%	100%	100%	100%	The 0% indicated up the 1st quarter can be blamed on the fact that no control register was in place at that stage otherwise it would have also measured 100%	Control register already in place
Supply legal inputs on items for WRDM agendas.	% of legal inputs supplied on items for WRDM agendas.	Proof of legal inputs to WRDM agendas	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%		
Issuing instructions to valuers.	% of instructions issued to valuers within 14 days of receipt of request.	Copy of instruction, proof of date, receipt thereof and copy of instructions to valuers with proof of their receipt.	100%	100%	75%	100%	100%	0%	0%	0%	0%	0%	0%	Target incorrectly projected as instruction to valuers are only drafted on request	Measurement tool be modified to indicate that instruction to valuers are only drafted on request
Compiling or perusal of agreements.	% of agreements compiled or perused within 21 days of receipt.	Proof of date of receipt of the agreement/instruction, copy of agreement or proof of perusal and proof of receipt and proof of date of receipt by person who gave the instruction.	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%		
Lease Agreements of tenants in the WGCC renewed or entered into before their expiry dates.	% of Lease Agreements of tenants in the WGCC renewed or entered into before their expiry dates.	Names of leases with expiry dates. Renewal agreements.	100%	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	Target incorrectly projected on a quarterly basis as most of the agreements are entered into for 1-3 year periods and no agreements expiring during the first three quarters of this financial year	Measurement tool be modified

Department SD8IP : Human Resource Management & Development
KPA : Municipal Transformation and Organisational Development
Operating Budget: R7 409 820
Capital Budget

Project/ Sub activities	Unit of Measure	Portfolio of Evidence (POE)	Baseline	Annual Target	Annual Act Perf	Q1			Q2			Q3			Q4			Annual Explanation of Variance	Performance Improvement Plan
						Proj	Act	Proj	Proj	Act	Proj	Act	Act	Act	Act	Act	Act		
Employment Equity	Number of reports submitted to the Department of Manpower (2nd Quarter)	EE report. Proof of submission. Acknowledgement of receipt.	1 Report	1	1				1										
Recruitment, Retention and Succession Planning	Number of staff appointed in vacant positions with the required minimum qualifications	List of staff appointed showing minimum requirements and individual qualifications. Proof of submission to MM.	1 Approved policy	4 Reports to MM on appointment of qualified staff	4				1						1				
Workplace Skills Plan	Number of reports submitted to the Local Government SETA (4th Quarter)	WSP. Proof of submission. Acknowledgement of receipt.	1 Report	1 Report	1										1				
Skills and ABET Programme	Number of training courses presented to officials	2 List of officials showing courses attended. 3 Attendance registers for each course	12 courses	12 courses	13				5						3			1 more course could be presented within the approved budget	
Employment Assistance Program	Number of employee wellness and assistance programmes presented (2nd and 4th quarter)	EAP presentation programme. Attendance registers.	1 Approved policy	2 wellness programmes presented to employees	2				1										
Occupational Health & Safety	Number of reports presented to the Municipal Manager on injuries on duty	Report on Injuries. Proof of submission to MM.	Occupational Health & Safety Act	4 Reports to MM on injuries on duty at WRDM	4				1						1				
Organizational Performance Management System	% of minutes of PMS meetings submitted within 14 working days after the PMS meeting to Manager: IDP & PMS (meeting not called by HR)	Minutes and attendance register.	100%	100%	25%										0%			"No PMS panel meeting convened"	Annual target should be corrected to read "per meeting held"
Organizational Structure	Number of policies related to staff establishment submitted to the Municipal Manager (1st Quarter)	SE policy. Proof of submission to MM.	1 Approved organisational structure	1 Staff establishment policy submitted to MM	1				1										

LOCAL ECONOMIC DEVELOPMENT

Directorate SDBIP : Local Economic Development and Tourism
KPA : Local Economic Development
Operating Budget
Capital Budget

R 11 432 120
R6 391 500

Project/ Sub activities	Unit of Measure	POE	Baseline	Annual Target	Annual Act Perf	Q1 Act	Q2 Act	Q3 Act	Q4 Act	Annual Explanation of Variance	Performance Improvement Plan
Section 80 Economic Development & Integrated Planning Management Meetings	No of SEC 80 agenda items submitted to the COO's Office not later than 5 working days before the Corporate Committee's decision date.	1. Items . 2. Proof of submission to COO with dates for timeframe	New target	10	3		3			No tracking system was put in place to record the transactions.	Early submission of items to the COO
ESTABLISHMENT OF SECTOR FORUMS	No of agricultural forum		new target	1	1		1				
	No. of manufacturing forum		new target	1	1		1				
	No of mining Forum	Proof of establishment.	new target	1	1		1				
	No of sector forums meetings	1.No of people invited 2.Minutes 3. Attendance register 4. Invitation	new target	18	10	3	4		3	Poor attendance	Mobilization of companies that add value to the sector forum
BUSINESS NETWORKING	No of business advisory forum		new target	1	0					poor attendance	Hand picking from big business & learning institutions
	No of business meetings	Attendance register;minutes	1	2	2		1	1			
ESTABLISHMENT OF SMME DATABASE	No of regional database	SMME database	new target	1	0					Late submission from LMs	The Regional Database is now compiled
	No of SMME summit		new target	1	0					Procurement is in progress.	Summit held later supply chain must improve & allocate turn around time
	No of Agricultural sector training		new target	1	1			1			
	No of Construction sector training	1. Training programme. 2. Attendance register.	new target	1	1		1				
SMME DEVELOPMENT	No of Basic business skills training		2	1	1				1		
	No of tourism Sector meetings	1. Minutes 2.attendance register.	2	12	11	1	3	3	4	Poor attendance from LTAs	Meetings to be held at LTAs and not WRDM
	No of Established cooperatives	Proof of registration, Eg with CIPRO	2	4	5	2	1	1	1	more communities who wanted to register cooperatives.	Improve on projections
	No of APEX Fund to be launched	1. Minutes or Programme for launch.	new target	1	1	1					
INDUSTRIAL STRATEGY	No. of Industrial strategy		new target	1	0					The tender process was terminated and	It is beyond LED's control but supply chain

Project/ Sub activities	Unit of Measure	POE	Baseline	Annual Target	Annual Act/Perf	Q1 Act	Q2 Act	Q3 Act	Q4 Act	Annual Explanation of Variance.	Performance Improvement Plan
TOURISM EXHIBITIONS : Indaba SoccerEx	No of functional exhibitions		1	1	1				1		
	No of functional exhibitions	1. Proof of Exhibition	new target	1	1		1				
	No of SMEs to be exposed	2. Invitation letters to exhibit	2	2	2		2				
TOURISM AWARDS PROJECT	No of entries at 3rd Annual Tourism Awards project	Summary of Tourism Awards Applications.	67	77	160	160				There was more interest from product owners.	Exceeded the target
TOURISM DEVELOPMENT: DEVELOPMENT OF TOWNSHIP TOURISM ROUTES Crocodile Ramble Brochure	No of products in Brochure		107	117	0					Management's decision on the brochure caused a delay otherwise procurement is in progress.	Brochure was developed later. To submit all documents in time.
Maggaliesberg/AA Map	No of products on Map		120	130	142		142			More interest from Product owners for	N/A
SIGNAGE	No of Signage Plan for 1 township tourism route (Pilot programme)	1. Signage plan	new target	1	1		1				
ESTABLISHMENT OF RTO	No of RTO awareness workshop		new target	1	0					Project delayed due to LTAs launch.	Workshop held in the next quarter.
	No of Training of product owners	1. Coarse content 2. Attendance register	1	1	1		1				
	No of Tourism Interns	1. Letter of appointments	1	4	4	2	2				
LTA ASSISTANCE	No of members for all LTAs	List of members showing LTAs and areas covered.	new target	80	72	32		20	20	Fewer members enlisted their products	LTAs to be encouraged to market themselves in order to get more members
	No of Quarterly meeting for all LTAs	1. Minutes 2. Attendance register.	8	16	19	4	5	4	6	New LTA established in Merafong.	N/A
	No of petrol attendance to be trained		new target	60	34			34		Less petrol attendants were trained.	Awareness campaign to get garage owners buy-in.
TRAINING	No of tourism PR/Advertising and event management functions	Advertisements or Programmes for functions.	2	2	2	1			1		
	No of quarterly electronic tourism newsletter	electronic tourism newsletter	4	4	5	1	1	1	2	More coverage of the World Cup.	N/A
	No of quarterly advertisements	Advertisements	4	8	7	2	2	2	1	The resources allocated was enough for one advert.	Improve on budget allocation.

INFRASTRUCTURE AND PROJECT MANAGEMENT

Directorate SD&IP : Infrastructure and Project Management											
KP A: Basic Service Delivery and Infrastructure											
Program/Projects: Operational Management programmes											
Sub activities	Unit measure	POE	Baseline	Annual Target	Annual Act Perf	Q1 Ending	Q2 Ending	Q3 Ending	Q4 Ending	Annual Explanation of Variance	Performance Improvement Plan
Section 80 Infrastructure Management meetings	No of S80 agenda items submitted to the COO's Office not later than 5 working days before the Corporate Services's due date.	1. Items . 2. Proof of submission to COO with dates for timeframe	New target	10	6		1	3	2	Reports submitted and on Section 80 Agenda, however, no POE on submission available	Will ensure POE's are available
Multipurpose Community Hall in the DWA											
MPCC Building (R 12 220 000)	% Construction of the MPCC Building	Report, Letter of Appointment & Minutes of Site Meetings	New target	100%	0%					Various Requests received from relevant authorities for submission of additional reports / studies	Requested reports / studies are being undertaken
Refurbish 7.5Km of Pipeline & Construct Water Tank (R 5 784 400)	% completion of water reticulation	Completion Certificate	New target	100%	0%					Awaiting re-gazetting of Grant Funds	Issue being addressed with MEC
Internal Roads - Danielsrust Road (1 525 000)	% completion of Road reticulation	Completion Certificate	New target	100%	100%				100%		
Upgrading of Dolomite Road (R 3 712 500)	% completion of Road reticulation	Completion Certificate	New target	100%	100%				100%		
Municipal Housing Sector Plan											
Review Municipal Housing Sector Plan (Housing Chapter of the 20010/2011 IDP Cycle)	No of Housing Sector Plans Reviewed	Housing Master Plan Council Resolution	New target	1	0						
Project Management											
MIG Project Management	No of Business Plans prepared and submitted to DLG by the closing date for 2010/2011 financial year	Signed Business Plan as submitted	New target	1	2			2		Two BP's submitted for approval & Funding	
Regional Infrastructure Master Plan	No of feasibility studies performed on identified projects	Appointment Letter & Progress Reports	New target	1	0					Feasibility studies identified not in IDP and nil funding available.	
Local Municipality Projects funded by WRDM	Monthly Reports on progress compiled and submitted to the COO	Reports received from LM's	New target	4	4		2	2			

TRANSPORT AND LAND USE MANAGEMENT

Directorate SDBIP - Transport and Land Use Management											
KPA: Basic Service Delivery and Infrastructure											
Operating Budget R2 415 000											
Capital Budget											
Project/ Sub activities	Unit of Measure	POE	Baseline	Annual Target	Annual Act Perf	Q1 Act	Q2 Act	Q3 Act	Q4 Ending Act	Annual Explanation of Variance	Performance Improvement Plan
Section 80 Environmental Management meetings	No of S80 agenda items submitted to the COO's Office not later than 5 working days before the Corporate Services's due date.	1. Items . 2. Proof of submission to COO with dates for timeframe	New target	10	6	2	1	2	1	No of meetings decreased in accordance with recess period April and June.	Process flow diagramme already being prepared by Corporate services to enhance flow of items and agendas
TRANSPORT											
TRANSPORT ADMINISTRATION											
No of Metropolitan transport meetings	1. Minutes. 2. Attendance register.		0	6	7	2	2	1	2	WGTC requested calling of a special meeting for issues to be discussed by WESMET: Soccer 2010; Randfontein Station; Sinagable Taxi Rank	Meetings to be held bi-monthly unless special circumstances requires special meetings
No of Western Gauteng Taxi Council meetings	1. Minutes. 2. Attendance register.		11	11	9	2	2	2	3	Taxi industry did not meet in January. Taxi council normally have monthly meetings. Directorate only facilitate meeting upon request of Taxi	Directorate will urge WGTC to meet on more regular basis in accordance with their mandate.
No of Passenger Rail Association Meetings	1. Minutes. 2. Attendance register.		New target	6	4	2	1	0	1	PRASA only arranged 4 meetings due to Soccer 2010 arrangements and deviated from their bi-monthly meetings	More focus will be placed on facilitation of public passenger transport issues. Rail Committee Working group to be
% Revised Integrated Transport Plan	*Local Transport plans (4) and Revised regional document.* Council resolution		1 To be revised	100%	0%					Plan still at a draft stage.	Plan completed. To be submitted to Transformation Committee. ITP to be reviewed on bi-annual basis.
TRANSPORT PLANNING (R&50 000)											

(R350 000)	% Regional Weigh bridge/ truck stop/Randfontein/Westonaria Planning document	One planning document. Council resolution	New target	100%	0%				Although project proposals were called for and tenders evaluated the appointment of the service provider only took place in October 2010	Service provider has been appointed. Service level agreement in process of being signed. Project Steering Committee already in place.
PLANNING: LINK ROADS BETWEEN TOEKOMSRUS AND RIETVALLEI	% Completion of EIA processes and GDACE application	*Progress Report	50%	100%	25%	100%			Proof of evidence was submitted by service provider that basic assessment report was finalized in June 2010. It had however to be sent for public review, the latter which ended on 25 August. Document is then forwarded to GDARD for final comments.	Process as eluded to is compulsory in accordance with NEMA legislation and must be finalized as part of planning processes. Directorate infrastructure has, in the meantime, lodged application for MIF funding and once approved project can continue.
	& Establishment of ownership and possible expropriation		New target	100%	0%				Ownership could not be established until such time final alignment of roads have been confirmed.	Ownership will be established once preliminary designs have been accepted as final design documents.
	% Pre-liminary designs and tender specs	Pre-lim designs. Draft tender documents	New target	100%	67%	100%	0%		Preliminary designs were submitted as proof of evidence	Once funding becomes available the implementation phase of the project can be proceeded with.

TRANSPORT PROGRAMMES (R30 000)	% role out: Transport programme: Public Transport Month	*Receipt of bicycles from province.* Receipt and indemnification by schools* Certificates of competence to scholars	New target	100%	0%		0%			Roll out of bicycle project was, due to Soccer 2010 and upon request by Province rescheduled for August 2010. Due to educational strike roll out took place in October 2010.	Official launch took place on 11 October at Sehelela Primary School. Directorate is currently in process of distributing bicycles to identified rural schools.
LAND USE MANAGEMENT Land use planning (R400 000)	No of revised SDF inclusive of Mogale City, Randfontein, Westonaria and Merafong.	One approved updated document. Council resolution	1 DRAFT DOCUMENT	1	0					Final document was submitted in June 2010. Not formally approved as yet - directive that in line with vision 2010 it be submitted to transformation	Document submitted to Transformation Committee
	% Land Use Management Framework for Mogale City, Randfontein, Westonaria and Merafong. (Status quo)	*Correspondence to LM. * Council resolutions * Data Base: All town planning schemes as used by locals.	Outdated town planning schemes	100% support from councils	0%					Province still busy with finalizing Land Use Management Bill and as a result the regulations pertaining to land use management schemes have not yet been promulgated.	Once regulations have been promulgated WRDM will embark on liaison with locals to prepare regional land use management schemes.
R50 000	% Satellite imaging land use	*Information Workshop (Minutes and attendance) *Letter of appointment *Close up report	New target	100% satellite imaging	0%					Will be aligned with above process.	Will also be attended to as part of regional development vision for 2016 - uniform data base and GIS systems
Land use administration+A3 2	%Processing of land use applications	*Correspondence: Processing land use application (Date received and respond)	50% Turn around time of 30 days	100%	88%	50	100%	100%		Applications as submitted by developers sometimes lack the required info and is then sent back for further processing to enable the WRDM to apply its mind.	Stricter control and follow-up measures from an administrative point of view will be enforced.

ENVIRONMENTAL MANAGEMENT										
Environmental Administration	No of Environmental Forum meetings	1. Minutes. 2. Attendance register.	6	6	9	4	3	2	Function of rural development was added to Environmental Portfolio and it required more meetings in addition to environmental meetings as it is regarded a specialized field of discipline.	This function of rural development will be dealt with in LED as per newly discussed structures from July 2011.
Environmental Management (R650 000)	No of revised Integrated Waste Management Plan inclusive of Mogale City, Randfontein, Westonaria and Merapong.	*Approved document.*Council resolution	1 Draft Document	1	0				Final document was submitted in June 2010 - public participation process was facilitated in August and final document was approved by council in October.	Document was submitted to MEC for approval and will be used as base document for budget purposes.
	Number of by-laws: waste management	Approve and promulgated by-laws	new target	1 set of by-laws	1		1			
	% Review of State of Environment Report and Environmental Management Framework	Approved document	Outdated Document	100%	0%				Gathering of info for Phase 1 (SoER) took longer than anticipated.	Phase 1 report has now been completed and will be workshopped on 9 November 2010. Second Phase will then follow - document to be completed by August 2011.
R40 000	Monitoring of water quality (3 sources to be done quarterly)	Water samples	4	4	2	1	1		Process was substituted by intervention from M. Liefferink - acid mine water drainage - site visits on 10 June 2010	Water monitoring will be done by WRDM as regulatory body in consultation with DWA. Water samples will not be taken by this Directorate.

Environmental management programmes (R25 000)	Number of waste management awareness campaigns	Water samples (Laboratory proof)	new target	2	4	2	2	2	Intensified focus on environment	Campaigns to continue
Air Quality Management	No Revised Air Quality Management Plan including Merafong	Approved document	1 draft	1	0				Final document was submitted in June 2010 - public participation process was facilitated in August and final document was approved by WRDM accepted mandate as air licensing emission authority with effect from April 2010. Air Quality Official only appointed in October 2010.	Document was submitted to DEA for approval and will be used as base document for budget purposes.
R180 000	% Roll out: Air Quality Management Plans for stations and licensing	*Council resolution - approve devolved function. *Functional admin unit within Directorate: Records of licences issued	New target	100%	0%				WRDM accepted mandate as air licensing emission authority with effect from April 2010. Air Quality Official only appointed in October 2010.	Draft by-laws already approved in principle in November 2010 by Section 80. Roll out plan prepared and needs to be submitted to Council
R40 000	No of dust monitoring forum and roll out of activities	Established mining forum which deals with dust monitoring as one component.	New target	4	2	1	1	1	Mining forum meetings -deals with dust pollution and air particles.	Mining forum to meet on regular basis
Environmental Imp	% Completion of EIA processes and GDACE application: Bulk water pipeline	Approved EIA	New target	100%	0%				Project aborted	Council resolution as proof was submitted.
	% Completion of EIA processes and GDACE application: MPCC	*EIA Report *GDACE approval	New target	100%	100%			100%		
	% Completion of EIA processes and GDACE application: Commange	Approved EIA	New target	100%	0%				Aborted in favour of proposed MPCC. Proof to be submitted	Council resolution as proof was submitted.

HEALTH AND SOCIAL DEVELOPMENT

Directorate SDBIP: HEALTH & SOCIAL DEVELOPMENT												
IDP Goal: IMPROVED MANAGEMENT OF MUNICIPAL HEALTH SERVICES LEADING TO IMPROVED HEALTHY ENVIRONMENT												
OPERATIONAL BUDGET R300 000.00												
Project/ Sub activities	Unit of Measure	POE	Baseline	Annual Target R\$5 000	Q1 Act	Q2 Act	Q3 Act	Q4 Act	Annual Explanation of Variance	Performance Improvement Plan		
Promotion of safe food handling including ECDCs	No of food handlers' training sessions held REF: MHS 1	1. Training programme 2. Attendance register.		16	4	5	1	9	As the result of preparations for 2010 more training was done			
	No of food samples taken/analyzed REF: MHS 2	1. Sample forms 2. Laboratory results.	new target	180	45	60	11	106	More samples were taken as a result of the preparations for RFA WCP and regional PVA			
	No of anti-filter campaigns held REF: MHS 3	1. signed proposal for anti filter campaign. 2. Attendance register		2	1	1	1		The one extra campaign in Makhlang was part of the preparations for the PVA			
Prevention of pollution	% of ECDCs that are inspected REF: MHS 4	1. Inspection checklist and report.		80%	20%				Training of ECDC managers on requirements is going on and inspections will be done.	Efforts will be increased in the LMs		
Promotion of safe drinking water	No of water samples taken REF: MHS 5	1. Sample forms 2. Laboratory results. 3. expenditure report		120	43	63	9	51	As the result of preparations for 2010 more training was done delay in sample results.			
Water Safety	No of water safety campaigns held REF: MHS 6			2		1			The water sampling and other RFA WC activities took precedence thus campaigns could not be held	This will be covered in this financial year		
Celebration: National/ International Days	National Arbor Day, World Environment Day & World Food Day celebrated REF: MHS 7	1. Day programme. 2. expenditure report. 3. Minutes or report		3	1			3	Mogale City did its own World Environment day over and above the district event			
Recognition of outstanding performance of EHPS and LMs in EH	Alfred Nzo Awards REF: MHS 8			1					This item was planned for the same period as 2010 event however the impact of 2010 event were not anticipated therefore this item had to be postponed to the following financial year	Awards will be paired with other functions of the Directorate		
Purchasing of media material	no and type of educational material purchased REF: MHS 9			1		1		1	Extra was purchased by province			

Directorate SDBIP : HEALTH & SOCIAL DEVELOPMENT

IDF GOAL: An Improved social cohesion among communities through sports, recreation and art programs											
Operational Budget R400 000-00											
Project/ Sub activities	Unit of Measure	POE	Baseline	Annual Target	Annual Act Perf	Q1 Act	Q2 Act	Q3 Act	Q4 Act	Annual Explanation of Variance	Performance Improvement Plan
Completion and review of Database	%database completed and reviewed REF: SRAC 1	Database.	new target	R 0 100%	71%	71%				Slow response from LMs.	LMs will be urged to prioritize collation of
Assessment of all sports and recreation facilities	Percentage of facilities assessed (target 27 facilities) REF: srac 2	1. Checklist or Assessment report. 2. Expenditure report.	new target	100%	23%	15%	33%	20%	22%	To adress previous shortage of accredited facilities.	LMs will be requested to do audit for maintenance and upgrading purposes
Heritage Day	Number of events held REF: SRAC 3		1	1	1		1				
Art and culture competitions	Arts and Culture competitions held REF: SRAC 4	Attendance register. Expenditure report	new target	2	2	1			1		
Strengthening of District Sports Council	No. of workshops held REF: SRAC 5	1. Workshop programme. 2. attendance register. 3. expenditure report.	new target	2	2	1	1				
Establishment of Arts Councils and the workshop	Arts council established REF: SRAC 6	1. Attendance Register 2. Expenditure report 3. Report	new target	R15 000 2	1		1			Could not do the workshop	Will be addressed in this
Sport tournament	Support sports tournament incl. OR Tambo REF: SRAC 7		new target	2	2		1		1		
Soccer clinics	Number of schools that participated REF: SRAC 8	1. Signed proposals. 2. Reports generated. 3. expenditure report.	new target	20	31	5	6	10	10	Number increased as part of the build up to 2010	N/A
Promote leadership skills	No. of leadership trainings held REF: SRAC 9	1. Reports generated 2. Attendance registers	new target	R170 000 4	4		2	1	1		
Planning and organization	No of meetings with LMs coordinators REF: 10	Minutes and attendance register	New target	4	4	2	1		1		

Directorate SDBIP : Health and Social Development
IDP Goal no. 3: 50% reduction of new HIV Infections through prevention programs
OPERATIONAL Budget R2 000 000
Program/Projets: HIV & AIDS Programmes

Sub activities	Unit of Measure	POE	Baseline	Annual Target	Annual Act Perf	Q1 Act	Q2 Ending Act	Q3 Act	Q4 Ending Act	Annual Explanation of Variance	Performance Improvement Plan
Prevention of HIV Infection through door to door education campaigns (REF: HIV 1)	Number of people reached through door to door campaigns	1. Attendance register. 2. Families info details	260 904	200 000	335211	60421	91 937	95 718	87135	There was improvement in the collection of data by local municipalities	N/A
Training of ward based volunteers on door to door education (REF:HIV 2)		1. Training programme, 2. Attendance register.	6 sessions/ 4/ per area		5	1	2	1	1	Merafong City volunteers were also given training even if they were	N/A
Support workplace programmes (REF: HIV 3)	Workplace Committees meetings are held	1. Minutes, 2. Attendance register.	New target	14 (2wrdm)	7	1	2	1	3	Most municipalities did not have meetings citing a number of reasons such as not getting support from HR etc	LMS Committees will be strengthened through training
Civil Society mobilisation (REF: HIV 4)	Number of groups trained on HIV& AIDS	1. Training programme, 2. Attendance register.	New target	8 sessions	7	2	2	1	2	Westonaria did not do the training	District will organize training for their committee
Intersectoral collaboration with departments (REF: HIV 5)	No of meetings with LMS coordinators	1. Minutes, 2. Attendance register.	New target	4 sessions	11	2	3	4	2	1 session was held to meet district target and 3 were held as part of support	N/A
Orphans support (REF: HIV 6)	Number of Orphans affected by HIV and Aids assisted per request	1. Proof of requests and assistance.	New target	per request	0					Extra meeting was held to come up with ways of utilizing the	N/A
Indigent Burial (REF: HIV 7)	Number of funeral assistance	1. Proof of requests and assistance.	100% per request	per request	84	21	15	29	19	no requests were received	
Assisting unfunded NGOs (REF: HIV 8)	Number of NGOs assisted	Proof of assistance.	Per need	100%	100%				100%		

Directorate SDBIP: Health and Social Development
IDP Priority : Service Delivery
OPERATIONS BUDGET

Program/Projects: Health programmes: Goal- Improved Health status of children and women, improved healthy lifestyles.

Sub activities	Unit of Measure	POE	Baseline	Annual Target	Annual Act Perf	Q1		Q2		Q3		Q4		Annual Explanation of Variance	Performance Improvement Plan
						Act	Act	Act	Act	Act	Act	Act	Act		
Immunisation of all children under 5 years	Number of population of the under 5 years immunised REF: HP 1	1. Door to door campaigns 2. expenditure report.	New target	R70 000	10518	1706		4039		3248		3231		Target changed during adjustment budget.	N/A
To prevent teenage pregnancy	Number of schools reached REF: HP 2	1. signed proposals for school visits. 2. Reports generated. 3. expenditure report.	2	4	5			3				2		Request from high risk school.	N/A
Improve women's health	Number of women offered education on cervical cancer REF: HP 3	1.Training programme. 2.Details of women educated. 3.Expenditure report.	9 200	12 000	11848	53		3092		4348		4355		loss of evidence during the first quarter	Will ensure evidence is not lost during the process
Prevention of community disease	Number of people reached on TB door to door campaign REF: HP 4	1.Signed proposal for the campaign. 2.Details of people reached.	52 000	25 000	32723	2688		7946		12533		9556		Covering last years variance	N/A

Directorate SDBIP : health & Social Development												
GOAL: Better informed and empowered Communities												
Social Development												
Operational Budget												
Project/ Sub activities	Unit of Measure	POE	Baseline	Annual Target	Annual Act Perf	Q1 Ending Act	Q2 Ending Act	Q3 Ending Act	Q4 Act	Annual Explanation of Variance	Performance Improvement Plan	
		budget allocation		R90 000								
Improving parental skills	Number of child and youth headed households trained in parenting skills REF: SD 1	1. Training programme.2. Attendance register. 3. expenditure report	new target	60	57	13	17	10	17	Youth dropped out due to illness, finding a job and caring for sick sibling	All youth dropping out will be included in the next training if available	
Capacitating Youth on leadership skills	Number of learners trained on leadership skills REF: SD 2	1. Training programme.2. Attendance register. 3. expenditure report	52	90	98	30		34	34	Extra pupils attended as per request from schools.	N/A	
Women Empowerment	Number of women trained in various skills REF: SD 3	1. Training programme.2. Attendance register. 3. expenditure report		100	71			21	50	Other participants did not attend.	Will encourage importance of empowerment on recruitment	
Support action of the elderly	No of luncheon clubs /Old Age Homes supported REF: SD 4	1. Lunche on programme. 2. Attendance register. 3. expenditure report.	1	4	4	1	1	1	1			
Support ECDC's	No. of ECDC's supported REF: SD 5 Toys libraries	1. Attendance register 2.	42	80	72		28	44		8 could not complete course due to taxi strike	The 8 will be accommodated in this financial year's training	
Child development	No. of libraries supported with educational toys REF: SD6		4	2	2							
Community participation	No. of volunteers trained on rights and social issues REF: SD 7	1. Training programme.2. Attendance register.	30	100	96	18	24	25	29	Recruited volunteers not turning up for training	Will encourage people to volunteer especially in rural areas	
Collect and review databases	No of database collected REF: SD8	Database	new target	6 categories	6	6						

PUBLIC SAFETY

OPERATIONS Budget R30 000-00
Management: Good Governance and efficient management and coordination of all programs

Sub activities	Unit of Measure	POE	Baseline	Annual Target	Annual Act Perf	Q1				Q2				Q3				Annual Explanation of Variance	Performance Improvement Plan
						Act	Act	Act	Act	Act	Act	Act	Act	Act	Act	Act	Act		
Planning and Admin	No of District Health Council Meetings	Minutes, Attendance register.	4	4	2	1							1					The meeting did not form chorom	Training will be conducted to emphasize importance of this meeting
	No of Section 80 meetings	Signed Sec 80 Agendas	9	10	7	2				1			2					The meetings were affected by preparations for FIFA WC and AFCON	Normal submissions will continue like before
	No of SRAC meetings	Minutes, Attendance register.	1	4	1								1					Poor attendance by LMS	Vision for regionalization will be emphasized
	No of Municipal Health Meetings / Peer review	Minutes, Attendance register.	6	4	3	1				1			1					Concentrated on the FIFA WC preparations	Normal schudules will resume
	Percentage of tenders received and evaluated within 2weeks post closure		85%	100%	100%					100%									
District AIDS Council	No of District Plenary Meetings	Minutes, Attendance register.		4	3	1							1					Concentrated on the FIFA WC preparations therefore MMC not available to lead meeting.	Normal schudules will resume
West Rand Social Cluster Directors Meetings	Provincial officials to prepare reports for the MMC-MEC Forum on Social Development.	Workshop programme. Attendance register.	New target	4	4	1							1						

Directorate SDBIP -Public Safety											
IDP Priority: Service Delivery											
Program/Projects: Community Safety											
Capital Budget 09/10											
Operational Budget 09/10											
		R 118 000.00		R 4 074 617.00							
Sub activities	Unit of measure	POE	Baseline	Annual Target	Annual Act Perf	Qtr Ending 30 Sept Act	Qtr Ending 31 Oct Act	Qtr Ending Nov Act	Qtr Ending Dec Act	Annual Explanation of Variance	Performance Improvement Plan
Improve law enforcement in the district towards establishing one shared service R\$50,000	% of municipal law enforcement officers & traffic officers appointed as peace officers		New Target	70%	70%						
	% Uniforms & vehicle branding standardized in the district		New Target	80%	80%						
	Complete Collective coordination & management structure for law enforcement		New Target	100%	100%						
	Complete establishment of by-law task team comprising of municipal law enforcement officers	Proof of establishment	New Target	100%		0	30	29			
Improve law enforcement in the district towards establishing one shared service R\$50,000	Number of joint law enforcement operations conducted	1. Signed proposals for joint law enforcement operations. 2.Reports associated	New Target	100%		4	12	3			
	Number of PIER projects conducted in order to raise public awareness & community participation R110,000	1. minutes 2.attendance register. 3.evaluation checklist	New Target	13%			1	3		No adequate focus on target	Community Safety PIER programs to be included into other PIER programs
Implement District Safety Plan	Number of CPF meetings attended and evaluated		100%	100%	100%	100%	100%	100%			
	Number of programs to assist CPF functioning & promoting community awareness and participation R165,000 [Victim empowerment, women & child abuse, rural safety, informal settlement safety, Take Charge', 'Men as Safety Champions', Neighbourhood & Block watch]	1. CPF programmes. 2.Attendance register.	New Target	8	10	4	3	0	3		

Implement District Safety Plan	Number of formulated and implemented local municipal safety plans	1. minutes 2. attendance register. 3. evaluation checklist	New Target	100%	0%					Lack of municipal cooperation - process taking longer than anticipated	Formulated Strategic Framework compelling local municipalities to participate
	100% completion of revised CSF strategy as per IDASA proposals		New Target	100%	0%					Lack of municipal cooperation - process taking	Formulated Strategic Framework compelling local municipalities to
	100% completion of School Safety Program R50,000		New Target	100%	0%					Awaiting feedback from Education Department	Regular follow up
Improved Safety in Public Places	100% Processing and planning for major events in terms of by-laws	signed proposals and reports back thereof	New Target	100%	100%		100%				
Improved Inter-agency Cooperation	Conduct 1 annual road safety audit & capacity assessment in each local municipality R20,000		New Target	5	9	-	3	3	3		

SD8IP: Public Safety
IDP Priority : Service Delivery
Program/Projects: Disaster Management
Capital Budget 09/10
Operational Budget 09/10

R 288 000.00
R 5 041 457.00

Sub activities	Unit of Measure	poe	Baseline	Annual Target	Annual Actual Perf	Qtr			Qtr			Annual Explanation of Variance	Performance Improvement Plan
						Ending Act	Ending Act	Ending Act	Ending Act	Ending Act	Ending Act		
Revise & develop the District Disaster Management Plan for inclusion in IDP based on risk & vulnerability assessments	Number of complete revised reactive disaster management plans for each of 4 local municipalities		1	4	0							Lack of cooperation from all Local Municipalities	Matter reported to MMCs Forum and new approach adopted to secure cooperation
	One meeting per MMTT per quarter at minimum to ensure effective risk & vulnerability management	1. minutes of the meeting. 2.attendance register	2	4	2	1		1				Lack of cooperation by local municipalities	Matter reported to MMCs Forum and new approach adopted to secure cooperation
	100% Completion of revision of 4 municipal risk & vulnerability assessments and drafting of 3 municipal risk reduction programs & strategies		3	4	4			3		1			
	Submit 1 composite risk profile for the district to the Section 80 Committee		1	1	0							Lack of cooperation from all Local Municipalities	Matter reported to MMCs Forum and new approach adopted to secure cooperation
Revise & develop the District Disaster Management Plan for inclusion in IDP based on risk & vulnerability assessments	Number of contingency planning done for business, schools & industry	contingency plans	New Target	10	30	13	4	13				Effective contingency planning	N/A
	Number of volunteer units established in informal areas	proof of establishment.	1	1	10		3	4		3			N/A

Directorate SDBIP: Emergency Operations Centre
IDP Priority : Service Delivery
Program/Projects: Emergency Operations Centre
Capital Budget 09/10
Operational Budget 09/10

R 52 000.00
R 10 828 710.00

Sub activities	Unit of Measure	poe	Baseline	Annual Target	Annual Actual Perf	Qtr		Qtr		Qtr		Qtr		Annual Explanation of Variance	Performance Improvement Plan
						Act	Act	Act	Act	Act	Act	Act	Act		
Effective and efficient multi-sectoral coordination and joint command & control as shared service in the district	95% of Incoming distress calls to be attended to within 10-15 seconds	statistics	95%	95%	97%	87.00%		97%	97%		97%				
	80% transaction time of less than 1 minute	statistics	80%	80%	0%								system does not produce such reports to verify this	N/A	System to be corrected in order to verify information
	Calls not answered the first time to be restricted to less than 5% of incoming calls	statistics	5%	5%	3%	2.70%		3%	3.43%		3.22%				
	98% systems up-time	statistics	98%	98%	0%								system does not produce such reports to verify this	System to be corrected in order to verify information	
Effective and efficient multi-sectoral coordination and joint command & control as shared service in the district	(Number of interactive stakeholder meetings held to monitor service compliance	Minutes, Attendance registers	10	10	31		17	4	10					N/A	
	Percentage of staff subjected to continued proficiency training and evaluation	Training programme, attendance register.	100%	100%	58%	25%	72%	67%	67						
	100% Engagement of Supervisors in functional meetings	Minutes, Attendance registers	100%	100%	75%		100%	100%	100%						

Sub activities	Unit of Measure	Portfolio of Evidence (PoE)	Baseline	Annual Target	Annual Perf	Q1	Q2	Q3	Q4	Annual Explanation of Variance	Performance Improvement Plan
						Act	Act	Act	Act		
Maintain emergency medical service standards	80% response to Priority 1 calls within 15 minutes	statistics	80%	80%	82%	78%	88%	80%	81%	The use of a first responder principle was applied in order to improve response to distressed calls	N/A
	60% of all operational staff members to be subjected to refresher training and evaluation of mental & physical fitness	training programme, attendance register	30%	60%	0%					No performance in this area of EMS has been achieved, as the function was reclaimed by the GDOH & SD	As an interim measure the department has now decided to allow staff member to challenge refresher training in the form of attending CPD presentations in order to accumulate points for their qualifications
	Number of in loco inspections at Stations in order to improve public image of EMS	1. signed Checklist/ticksheet.	9	36	36	9	9	9	9		
Maintain emergency medical service standards	Number of meetings with hospitals (Netcare Krugersdorp, Robinson, Leratong, Dr Yusuf Dadoo & Carletonville) with the view to ensure quality secondary medical care	minutes, attendance registers	20	20	16	2	4	5	4	The continued labour discontent at some of the public hospitals in the district resulted to the cancellation of certain meetings	Stakeholder commitment was guaranteed so as to improve meeting attendance in the future
Maintain fire & rescue service standards	80% Response to structure fires within 15 minutes	statistics	80%	80%	91%	87%	94%	90%	90%	Effective internal training as well as cooperative regional functioning	N/A
	Contain fire damage to 10% of risk value by applying SANS norms & standards	statistics	10%	10%	8%	4.87%	2.50%	18.31%	6.60%	Continued internal and fire fighting refresher training	N/A
	80% of rescue calls to be responded to within 15 minutes	statistics	80%	80%	90%	91%	92%	88%	88%	The principle of first responder was applied in order to improve response times.	N/A

Maintain fire & rescue service standards	60% of staff to undergo refresher training and mental & physical fitness evaluation	training programme, attendance register	20%	60%	40%		40%			
	100% processing of accounts to maximize income generated from service calls	list of accounts/accident s, proof of submission to Bplace	100%	100%	100%	100%	100%	100%		
	Quarterly meetings of the Building Control Forum in order to improve coordination	minutes, attendance registers	4	4	5	3	1		Lack cooperation from the locals.	N/A
Provide effective Fire Risk Management	Number of fire risk management inspections conducted as reflected in quarterly reports	1. signed Checklist/ticklist.	New	Number of fines issued	0				Fines not yet approved by the judiciary	The matter to be dealt with in liaison with the Office of the HOD Gautang Department of Community Safety
			4	100%	100%	100%	100%	100%		